

Senate, No. 2530, printed as amended

[Senate, July 1, 2010 – Text of the Senate amendments to the House Bill establishing expanded gaming in the Commonwealth (House, No. 4619)]



The Commonwealth of Massachusetts

IN THE YEAR OF TWO THOUSAND AND TEN

1 **SECTION 1.** Section 7 of chapter 4 of the General Laws, as appearing in the 2008
2 Official Edition, is hereby amended by striking out clause Tenth and inserting in place thereof the
3 following clause:-

4 Tenth, “Illegal gaming,” any banking or percentage game played with cards, dice, tiles,
5 dominoes, or any electronic, electrical or mechanical device or machine for money, property,
6 checks, credit or any representative of value, but excluding: (i) a lottery game conducted by the
7 state lottery commission, under sections 24, 24A and 27 of chapter 10; (ii) a game conducted
8 under chapter 23K; (iii) pari-mutuel wagering on horse races, whether live or simulcast, under
9 chapter 128A and chapter 128C; (iv) the game of bingo conducted under chapter 271; and (v)
10 charitable gaming, so called, conducted under chapter 271.

11 **SECTION 2.** Section 48 of chapter 6 of the General Laws is hereby repealed.

12 **SECTION 3.** Sections 64 and 65 of chapter 10 of the General Laws are hereby repealed.

13 **SECTION 4.** Chapter 12 of the General Laws is hereby amended by inserting after
14 section 11L the following section:-

15 Section 11M. (a) As used in this section the following words shall, unless the context
16 clearly requires otherwise, have the following meanings:-

17 “Board”, the Massachusetts gaming control board established in chapter 23K.

18 “Commission”, the Massachusetts gaming commission established in chapter 23K.

19 “Division”, the division of gaming enforcement established in subsection (b).

20 “Gaming establishment”, a gaming establishment as defined in section 2 of chapter 23K.

21 (b) There shall be in the department of the attorney general a division of gaming
22 enforcement. The attorney general shall designate an assistant attorney general as director of the
23 division. The director may appoint and remove, subject to the approval of the attorney general,
24 such expert, clerical or other assistants as the work of the division may require.

25 (c) The division’s powers and duties shall include the following: (1) investigate and
26 prosecute allegations of criminal activity related to or impacting the operation of gaming
27 establishments or games; (2) receive and take appropriate action on referrals for criminal
28 prosecution from the commission, board or any other law enforcement body; (3) provide
29 assistance, upon request, to the commission and board in the consideration and promulgation of
30 rules and regulations; (4) ensure that there is no duplication of duties and responsibilities between
31 it, the commission and the board; and (5) recommend persons to be placed on the list of excluded
32 persons maintained by the board.

33 No employee of the division, or any person engaged by the division in the course of an
34 investigation, other than those in the performance of their official duties, shall place a wager in
35 any gaming establishment licensed under chapter 23K during the period of the employee’s
36 employment or assignment with the division.

37 Officers and employees of the gaming enforcement unit of the state police assigned to the
38 division shall record their time and submit total hours to the board. The board shall reimburse the
39 state police.

40 The attorney general shall be reimbursed by the board for the costs of operating the
41 division and legal representation of the commission or board.

42 **SECTION 5.** Chapter 12B of the General Laws is hereby repealed.

43 **SECTION 6.** Subsection (b) of section 9 of chapter 13 of the General Laws, is hereby
44 amended by striking out the words “, as well as the state racing commission established by
45 section 48 of chapter 6,” inserted by section 29 of chapter 4 of the acts of 2009.

46 **SECTION 7.** Subsection (e) of section 9B of said chapter 13 is hereby amended by
47 striking out the words “, as well as the state racing commission established by section 48 of
48 chapter 6,” inserted by section 30 of said chapter 4.

49 **SECTION 8.** Said subsection (e) of said section 9B of said chapter 13 is hereby amended
50 by striking out the words “or regulated by the state racing commission, as established by section
51 48 of chapter 6” inserted by section 31 of said chapter 4.

52 **SECTION 9.** Section 35 of chapter 10 of the General Laws, as appearing in the 2008
53 Official Edition, is amended by striking out, in lines 2 and 16, the words “State Lottery Fund” and
54 inserting in place thereof the following words:- State Lottery and Gaming Fund.

55 **SECTION 10.** Section 39 of said chapter 10, as so appearing, is hereby amended by
56 striking out, in lines 12 to 13 and in line 19, the words “State Lottery Fund” and inserting in place
57 thereof the following words:- State Lottery and Gaming Fund.

58 **SECTION 11.** Section 38 of chapter 22C of the General Laws, as so appearing, is hereby
59 amended by inserting after the word “involving”, in lines 36 and 37, the following word:- illegal.

60 **SECTION 12.** Said chapter 22C is hereby amended by adding the following section:-

61 Section 70. The colonel of state police shall establish a gaming enforcement unit whose
62 responsibilities shall include, but not be limited to, the investigation of criminal violations of
63 chapter 23K, chapter 271 or any other general or special law that pertains to gaming.

64 The gaming enforcement unit shall work in conjunction and cooperation with the bureau
65 of investigations and enforcement under the Massachusetts gaming control board established in
66 said chapter 23K and the division of gaming enforcement in the office of the attorney general
67 established under section 11M of chapter 12 to investigate criminal activity related to gaming in
68 the commonwealth. The colonel shall assign officers and employees of the unit to the bureau of

investigations and enforcement, who shall report to the director of the bureau as well as the colonel of the department of state police; the colonel shall also assign officers of the unit to the division of gaming enforcement, who shall report to the chief of the division as well as the colonel of the department of state police. No officer of the unit, other than in the performance of official duties, shall place a wager in any gaming establishment licensed under chapter 23K. The colonel shall establish a program to rotate officers in and out of this unit. The state police shall be reimbursed by the board for the costs of operating the unit.

SECTION 12A: Chapter 23A of the General Laws is hereby amended by striking out sections 13A and 13B, as so appearing, and inserting in place thereof the following 2 sections:-

Section 13A. For the purposes of sections 13A to 13Q, inclusive, the following words shall, unless the context clearly requires otherwise, have the following meanings:

“Foreign offices”, foreign offices for international trade within the international trade office.

“Partnership”, the Massachusetts marketing partnership created in this section.

“Tourism”, the office of travel and tourism.

In order to promote common, coordinated and concerted efforts on behalf of the commonwealth, there shall be within the executive office of housing and economic development, but not subject to the supervision or control of the executive office, the Massachusetts marketing partnership which shall coordinate marketing efforts on behalf of the commonwealth and shall oversee the activities of the agencies placed within it.

(a) The partnership shall consist of 11 partners who shall be: the secretary of housing and economic development, who shall chair the partnership; the director of the Massachusetts office of business development or the director’s designee; the executive director of the Massachusetts

92 Convention Center Authority or the executive director's designee; the executive director of the
93 Massachusetts Port Authority or the executive director's designee; the executive director of the
94 Massachusetts Alliance for Economic Development, or its successor organization; and 6
95 individuals appointed by the governor for terms of 5 years, as follows: 2 persons employed by a
96 business that has a principal place of business in the commonwealth and that exports goods to
97 other countries, 1 of whom shall be selected from a list of 3 names submitted by the Associated
98 Industries of Massachusetts; 1 person who has significant experience with a public relations or
99 advertising firm doing business in the commonwealth; 1 person who shall be on the faculty of a
100 public or private business school in the commonwealth who is experienced in international
101 business; and 2 persons who shall represent a regional tourism council in the commonwealth
102 outside of Suffolk County, Middlesex County and Norfolk County. Of the initial partners
103 appointed by the governor, 3 shall serve a term of 2 years and 3 shall serve a term of 5 years.

104 At least 3 of the governor's 6 appointments shall reside outside of Suffolk County,
105 Middlesex County and Norfolk County. Not more than 6 of the partners shall be members of the
106 same political party. Each partner shall serve without compensation but may be reimbursed for
107 actual and necessary expenses reasonably incurred in the performance of the partner's duties,
108 including reimbursement for reasonable travel; provided, however that that such reimbursement
109 shall not exceed \$500 annually. A person appointed to fill a vacancy in the office of a partner
110 shall be appointed in a like manner and shall serve for only the unexpired term of the former
111 partner. A partner shall be eligible for reappointment and may be removed by the governor for
112 cause. The partnership shall annually elect 1 partner to serve as vice-chairperson.

113 (b) Eight partners shall constitute a quorum and the affirmative vote of a majority of
114 partners present at a duly called meeting, if a quorum is present, shall be necessary for an action
115 to be taken by the partnership. An action required or permitted to be taken at a meeting of the
116 partnership may be taken without a meeting if all of the partners consent, in writing, to the action

and that written consent is filed with the records of the minutes of the meetings of the partnership. Such consent shall be treated for all purposes as a vote at a meeting. Each partner shall make full disclosure, under subsection (c), of the partner's financial interest, if any, in matters before the partnership by notifying the state ethics commission, in writing, and the partner shall abstain from voting on a matter before the board in which the partner has a financial interest, unless otherwise permitted under chapter 268A.

(c) Chapters 268A and 268B shall apply to all ex officio partners or the partners' designees and employees of the agencies within the partnership. Chapters 268A and 268B shall apply to all other partners, except that the agencies within the partnership may purchase from, sell to, borrow from, loan to, contract with or otherwise deal with a person, corporation or other business entity in which any partner is in any way interested or involved; provided, however, that such interest or involvement is disclosed in advance to the partners of the partnership and recorded in its minutes; and provided, further, that no partner having such an interest or involvement may participate in a decision of the partnership relating to such person, corporation or other business entity. Employment by the commonwealth or service in an agency or political subdivision of the commonwealth shall not be deemed to be such an interest or involvement.

(d) The partnership shall bi-annually elect 1 of its partners as treasurer and 1 of its partners as secretary. The secretary of the partnership shall keep a record of its proceedings and shall be custodian of all books, documents and papers filed by the partnership and of its minute book and seal. The secretary of the partnership shall cause copies to be made of all minutes and other records and documents of the partnership and shall certify that such copies are true copies and all persons dealing with the partnership may rely upon such certification.

(e) Partners and employees of the agencies within the partnership having access to its cash or negotiable securities shall give bond to the partnership at its expense in such amounts and

with such surety as the partnership may prescribe. The persons required to give bond may be included in 1 or more blanket or scheduled bonds.

(f) Partners and officers who are not compensated employees of the partnership shall not be liable to the commonwealth, the executive office of housing and economic development or any other person as a result of their activities, whether ministerial or discretionary, as such partners or officers except for willful dishonesty or intentional violations of law. Neither members of the partnership nor a person executing bonds or policies of insurance shall be personally liable on those bonds or policies or be subject to any personal liability or accountability by reason of the issuance of those bonds or policies. The partnership may purchase liability insurance for partners, officers and employees and may indemnify the partners against claims of others.

(g) Upon the termination of the existence of the partnership, all right, title and interest in and to all of its assets and all of its obligations, duties, covenants, agreements and obligations shall vest in and be possessed, performed and assumed by the commonwealth.

(h) An action of the partnership may take effect immediately and need not be published or posted unless otherwise provided by law. Meetings of the partnership shall be subject to section 11A 1/2 of chapter 30A, except that said section 11A 1/2 shall not apply to any meeting of partners in the partnership serving ex officio in the exercise of their duties as officers of the commonwealth so long as no matter relating to the official business of the partnership is discussed and decided at the meeting. The partnership shall be subject to all other sections of said chapter 30A, and records pertaining to the administration of the partnership shall be subject to section 42 of chapter 30 and section 10 of chapter 66. All moneys of the partnership shall be considered to be public funds for purposes of chapter 12A.

(i) .The partnership shall be subject to section 16G of chapter 6A and section 56 of chapter 23A.

Section 13B. There shall be within the partnership the following offices: the office of travel and tourism, the Massachusetts international trade office and the commonwealth marketing office.

SECTION 12B. Section 13C of said chapter 23A, as so appearing, is hereby amended by striking out in line 21, the figure “31” and inserting in place thereof the following figure:- 32.

SECTION 12C. Said section 13C of said chapter 23A, as so appearing, is hereby amended by inserting after the word “Commerce”, in line 38, the following words:- , the MetroWest Tourism and Visitor’s Bureau.

SECTION 12D. Section 14 of said chapter 23A, as so appearing, is hereby amended by inserting after the word “Bureau”, in line 11, the words:- , the MetroWest Tourism and Visitor’s Bureau.

SECTION 13: The General Laws are hereby amended by inserting after chapter 23J the following chapter:-

Chapter 23K. The Massachusetts Gaming Commission and Massachusetts Gaming Control Board

Section 1. As used in this chapter the following words shall, unless the context clearly requires otherwise, have the following meanings:-

“Affiliate”, a person who, directly or indirectly, controls or is controlled by, or is under common control with, a specified person.

“Applicant”, any person who has applied for a license or registration to engage in activity regulated under this chapter.

186 “Application”, a written request for a finding of suitability to receive a license or engage
187 in an activity which is regulated under this chapter.

188 “Board”, the Massachusetts gaming control board created in section 3.

189 “Bureau”, the investigations and enforcement bureau within the board.

190 “Business”, a corporation, sole proprietorship, partnership, limited liability company or
191 any other organization formed for the purpose of carrying on commercial enterprise.

192 “Capital expenditure”, money spent by a licensee to upgrade or maintain depreciable and
193 tangible long-term physical assets that are capitalized on the licensee’ books under generally
194 accepted accounting principles and excluding expenditures or charges for the usual and
195 customary maintenance and repair of any fixed asset.

196 “Cashless wagering system”, a method of wagering and accounting in which the validity
197 and value of a wagering account, promotional account, wagering instrument or wagering credits,
198 not including slot machine printed vouchers, are determined, monitored and retained for an
199 individual by an electronic system operated and maintained by a licensee which maintains a
200 record of each transaction involving the wagering account, promotional account, wagering
201 instrument or wagering credits, exclusive of the game or gaming device on which wagers are
202 being made, including electronic systems which facilitate electronic transfers of money directly to
203 or from a game or gaming device.

204 “Cheat”, alter the selection of criteria which determines the results of a game or the
205 amount or frequency of payment in a game.

206 “Cheating and swindling device” or “cheating and swindling game”, shall include:

(i) a coin, token or slug other than a lawful coin or legal tender of the United States or a coin not of the same denomination as the coin intended to be used while playing or using any slot machine in a gaming establishment, except that in the playing of a slot machine or similar gaming device, it shall be lawful for a person to use tokens or similar objects which are approved by the commission;

(ii) a bogus or counterfeit chip, coin or die; marked card; a computerized, electronic, electrical, mechanical or magnetic device; tool, drill, wire, key or other device designed, constructed or programmed specifically for:

(A) use in obtaining an advantage in any game;

(B) opening, entering or affecting the operation of any gaming device;

(C) removing from slot machine, other gaming device or drop box any money or other contents from such machine, device or box;

(iii) tools, drills, wires, coins or tokens attached to strings or wires, or electronic or magnetic devices to facilitate the alignment of a winning combination;

(iv) a gaming device that has been manufactured, serviced, marked, plugged or tampered with, or placed in a condition or operated in a manner, to:

(A) deceive, or attempt to deceive, the public; or

(B) alter, or attempt to alter, the normal random selection of characteristics, the normal chance of the game or the result of the game at a gaming establishment.

“Close associate”, a person who holds any relevant financial interest in, or is entitled to exercise any power in, the business of an applicant or licensee and, by virtue of that interest or

228 power is able to exercise a significant influence over the management or operation of a gaming
229 establishment or business licensed under this chapter.

230 “Commission”, the Massachusetts gaming commission created in section 2.

231 “Commissioner”, a member of the commission.

232 “Complimentary service or item”, a service or item provided at no cost or at a reduced
233 price.

234 “Conservator”, a person appointed by the commission under section 22 to temporarily
235 manage the operation of a gaming establishment.

236 “Credit card”, a card, code or other device with which a person may defer payment of
237 debt, incur debt and defer the payment of the debt, or purchase property or services and defer
238 payment for the property or services, but not a card, code or other device used to activate a
239 preexisting agreement between a person and a financial institution to extend credit when the
240 person’s account at the financial institution is overdrawn or to maintain a specified minimum
241 balance in the person’s account at the financial institution.

242 “Credit instrument”, a writing which evidences a gaming debt owed to a person who
243 holds a gaming license at the time the debt is created, and includes any writing taken in
244 consolidation, redemption or payment of a previous credit instrument.

245 “Division”, the division of gaming enforcement under the office of the attorney general.

246 “Foreign business”, any business that was organized outside of the United States or under
247 the laws of a foreign country.

248 “Gambling”, the playing of a game by a patron of a gaming establishment.

249 “Game”, a banking or percentage game played with cards, dice, tiles, dominoes or an
250 electronic, electrical or mechanical device or machine played for money, property, checks, credit
251 or any representative of value which has been approved by the commission under this chapter.

252 “Gaming”, the dealing, operating, carrying on, conducting, maintaining or exposing for
253 pay of a game.

254 “Gaming area”, the premises of a gaming establishment in which or on which gaming is
255 done.

256 “Gaming control employee” commissioners, board members and board officers, agents,
257 employees, consultants and advisors.

258 “Gaming device” or “Gaming equipment”, an electronic, electrical, or mechanical
259 contrivance or machine used in connection with gaming or a game.

260 “Gaming employee”, an employee of a gaming establishment who is: (i) directly
261 connected to the operation or maintenance of a gaming device, slot machine or game taking place
262 in a gaming establishment; (ii) provides security in a gaming establishment; (iii) has access to a
263 restricted area of the gaming establishment;(iv) is connected with the operation of a gaming
264 establishment; or (v) is so designated by the commission.

265 “Gaming establishment”, the premises approved under a gaming license which includes a
266 gaming area and other nongaming structures related to the gaming area, including, but not limited
267 to, hotels, restaurants or other amenities.

268 “Gaming license”, a license issued by the commission that permits the licensee to operate
269 a gaming establishment with table games and slot machines.

270 “Gaming licensee”, a licensee who holds a gaming license.

271 “Gaming position”, a designated seat or standing position where a patron of a gaming
272 establishment can play a game.

273 “Gaming service employee”, an employee of a gaming establishment who is not
274 classified as a gaming employee or a key gaming employee, but is required to register with the
275 board.

276 “Gaming vendor”, a person who holds a gaming vendor license and offers goods or
277 services to a gaming licensee on a regular or continuing basis which directly relates to gaming,
278 including, but not limited to, gaming equipment, suppliers and repairers.

279 “Gaming vendor license”, a license issued by the commission that permits the licensee to
280 act as a vendor to a gaming establishment.

281 “Gross gaming revenue”, the total of all sums actually received by a gaming licensee
282 from gaming operations less the total of all sums paid out as winnings to patrons; provided,
283 however, that the total of all sums paid out as winnings to patrons shall not include the cash
284 equivalent value of any merchandise or thing of value included in a jackpot or payout; provided,
285 further, that “gross gaming revenue” shall not include any amount received by a gaming licensee
286 from credit extended or collected by the licensee for purposes other than gaming.

287 “Holding company”, a corporation, association, firm, partnership, trust or other form of
288 business organization other than a natural person which, directly or indirectly, owns, has the
289 power or right to control or has the power to vote any significant part of the outstanding voting
290 securities of a corporation or other form of business organization which holds or applies for a
291 gaming license; provided, however, that “holding company”, in addition to other reasonable
292 meaning of the words used, a holding company shall indirectly have, hold or own any such
293 power, right or security if it does so through an interest in a subsidiary or successive subsidiaries,

294 regardless of the number of subsidiaries that may intervene between the holding company and the
295 gaming licensee or applicant.

296 “Host community”, a municipality in which a gaming establishment is located or in
297 which an applicant has proposed locating a gaming establishment.

298 “Institutional investor”, any of the following entities having a 5 per cent or greater
299 ownership interest in a gaming establishment, gaming vendor or gaming licensee, or its holding
300 or management company: a corporation, bank, insurance company, pension fund or pension fund
301 trust, retirement fund, including funds administered by a public agency, employees’ profit-sharing
302 fund or employees’ profit-sharing trust, an association engaged, as a substantial part of its
303 business or operation, in purchasing or holding securities or a trust in respect of which a bank is a
304 trustee or co-trustee, investment company registered under the federal Investment Company Act
305 of 1940, collective investment trust organized by banks under part 9 of the Rules of the
306 Comptroller of Currency, closed end investment trust, chartered or licensed life insurance
307 company or property and casualty insurance company, investment advisor registered pursuant to
308 the federal Investment Advisors Act of 1940, banking and other chartered or licensed lending
309 institution, and such other persons as the commission may reasonably determine to qualify as an
310 institutional investor for reasons consistent with this chapter.

311 “Intermediary company”, a corporation, association, firm, partnership, trust or any other
312 form of business organization other than a natural person which is a holding company with
313 respect to a corporation or other form of business organization which holds or applies for a
314 gaming license, and is a subsidiary with respect to a holding company.

315 “Junket”, an arrangement intended to induce any person to come to a gaming
316 establishment to gamble, where the person is selected or approved for participation on the basis of
317 the person’s ability to satisfy a financial qualification obligation related to the person’s ability or

willingness to gamble or on any other basis related to the person's propensity to gamble, and pursuant to which, and as consideration for which, any or all of the cost of transportation, food, lodging, and entertainment for the person is directly or indirectly paid by a gaming licensee or affiliate of the gaming licensee.

"Junket enterprise", a person, other than an applicant for a gaming license or gaming licensee, who employs or otherwise engages the services of a junket representative in connection with a junket to a licensed gaming establishment, regardless of whether or not those activities occur within the commonwealth.

"Junket representative", an individual who negotiates the terms of, or engages in the referral, procurement or selection of persons who may participate in, any junket to a gaming establishment, regardless of whether or not those activities occur within the commonwealth.

"Key gaming employee", an employee of a gaming establishment: (i) in a supervisory capacity; (ii) empowered to make discretionary decisions which regulate gaming establishment operations; or (iii) so designated by the commission.

"License", any license required under this chapter.

"List of excluded persons", the list of excluded persons maintained by the commission under section 35.

"Lottery", the state lottery established under section 24 of chapter 10.

"Non-gaming vendor", a supplier or vendor, including, but not limited to, construction companies, vending machine providers, linen suppliers, garbage handlers, maintenance companies, limousine services, food purveyors or suppliers of alcoholic beverages, which provide goods or services not directly related to games to a gaming establishment or gaming licensee.

340 “Person”, an individual, corporation, association, operation, firm, partnership, trust or
341 other form of business association.

342 “Promotional gaming credit”, a slot machine or table game credit or other item issued by
343 a gaming licensee to a patron to enable the placement of a wager at a slot machine or table game.

344 “Qualification” or “qualified”, the process of licensure set forth by the commission to
345 determine that all gaming licensees, gaming vendors, or the business of a gaming licensee or
346 gaming vendor, meet the same standards of suitability to operate or conduct business with a
347 gaming establishment in the commonwealth.

348 “Slot machine”, a mechanical, electrical or other device, contrivance or machine which,
349 upon insertion of a coin, token or similar object in the device, contrivance or machine, or upon
350 payment of any consideration, is available to play or operate, the play or operation of which,
351 whether by reason of the skill of the operator or application of the element of chance, or both,
352 may deliver or entitle the individual playing or operating the machine to receive cash or tokens to
353 be exchanged for cash, or to receive merchandise or anything of value whatsoever, whether the
354 payoff is made automatically from the machine or in any other manner whatsoever.

355 “State police”, the state police established in chapter 22C.

356 “Subsidiary”, a corporation, any significant part of whose outstanding equity securities
357 are owned, subject to a power or right of control, or held with power to vote, by a holding
358 company or an intermediary company; or a significant interest in a firm, association, partnership,
359 trust or other form of business organization, other than a natural person, which is owned, subject
360 to a power or right of control, or held with power to vote, by a holding company or an
361 intermediary company.

362 “Surrounding communities” municipalities in proximity to a host community which the
363 board determines experience or are likely to experience impacts from the development or
364 operation of a gaming establishment, including municipalities from which the transportation
365 infrastructure provides ready access to an existing or proposed gaming establishment.

366 “Table game”, a game, other than a slot machine, which is authorized by the commission
367 to be played in a gaming establishment.

368 “Transfer”, the sale and every other method, direct or indirect, of disposing of or parting
369 with property or with an interest in property, or with the possession of property, or of fixing a lien
370 upon property or upon an interest in property, absolutely or conditionally, voluntarily or
371 involuntarily, by or without judicial proceedings, as a conveyance, sale, payment, pledge,
372 mortgage, lien, encumbrance, gift, security or otherwise; provided, that, the retention of a security
373 interest in property delivered to a corporation shall be deemed a transfer conducted by such
374 corporation.

375 “Wager”, a sum of money or representative of value that is risked on an occurrence for
376 which the outcome is uncertain.

377 **Section 2.** (a) There shall be a Massachusetts gaming commission to be composed of 5
378 commissioners.

379 (b) The governor shall appoint 3 of the commissioners, 1 of whom the governor shall
380 designate as chair. The attorney general and state treasurer shall each appoint 1 commissioner.
381 The appointment of each commissioner shall require the approval of at least 2 of the 3 appointing
382 authorities.

383 (1) Commissioners shall serve for a term of 5 years.

384 (2) No commissioner may serve more than 2 full terms.

385 (3) Not more than 3 commissioners shall be of the same political party.

386 (4) Not more than 2 commissioners shall be of the same professional background
387 or field.

388 (5) Each commissioner shall be a United States citizen and a resident of the
389 commonwealth.

390 (c) The commission shall meet as frequently as necessary but at least once each month.

391 (d) The gaming control board shall provide the commission with administrative and
392 clerical services and other assistance necessary for the commission to perform its functions.

393 (e) The chair of the commission may receive an annual salary of \$60,000.

394 Commissioners may receive a stipend of \$50,000.

395 (f) Three commissioners shall constitute a quorum and 3 affirmative votes shall be
396 required for an action or recommendation of the commission. The chairman or 3 members of the
397 commission may call a meeting; provided, however, that notice of all meetings shall be given to
398 each commissioner and to other persons who request such notice. The commission shall adopt
399 regulations establishing procedures, which may include electronic communications, by which a
400 request to receive notice shall be made and the method by which timely notice may be given.

401 (g) The governor may remove a commissioner if the commissioner: (i) is guilty of
402 malfeasance in office; (ii) substantially neglects the duties of a commissioner; (iii) is unable to
403 discharge the powers and duties of the commissioner's office; (iv) commits gross misconduct; or
404 (v) is convicted of a felony.

405 (h) No commissioner shall hold, or be a candidate for, elective office in the
406 commonwealth or be an officer or official of a political party.

(i) No commissioner shall be actively engaged or have a pecuniary interest in an applicant for a license under this chapter or any gaming licensee.

(j) The governor shall conduct a background investigation on a candidate for appointment to the commission regarding the financial stability, integrity and responsibility of the candidate as well as the candidate's reputation for good character, honesty and integrity prior to appointing the candidate as a commissioner.

(k) No commissioner, other than in the performance of the commissioner's official duties, shall place a wager in a gaming establishment.

(l) The commission shall be a commission for the purposes of section 3 of chapter 12.

(m) The commission shall be a state authority under the definition in section 1 of chapter 29.

Section 3. (a) There shall be a Massachusetts gaming control board, which shall be comprised of 3 members who shall be appointed by the governor; 1 of whom shall be a certified public accountant or have experience in corporate finance; and 1 of whom shall have experience in law enforcement, investigation or law.

(b) The governor shall appoint 1 member to serve as the chair, coordinate the activities of the board and shall have at least 5 years managerial experience in public or business administration. Each member shall:

(1) be a United States citizen;

(2) be a resident of the commonwealth or shall become a resident within 90 days of appointment; and

(3) serve for a term of 4 years.

429 (c) Members shall devote their full time and attention to the duties of the board and may
430 receive an annual salary not greater than the salary of the secretary of administration and finance;
431 provided, however, that the chair shall receive a stipend, in addition to the base salary, in an
432 amount equal to 7 per cent of the base salary. No member shall be compensated for any other
433 position.

434 (d) The governor may remove a board member if the member: (i) is guilty of malfeasance
435 in office; (ii) substantially neglects the duties of a board member; (iii) is unable to discharge the
436 powers and duties of the board member's office; (iv) commits gross misconduct; or (v) is
437 convicted of a felony.

438 (e) No board members shall hold, or be a candidate for, elective office in the
439 commonwealth, or be an officer or official of a political party.

440 (f) No board members shall be actively engaged or have a pecuniary interest in an
441 applicant for a license under this chapter or a gaming establishment licensed under this chapter.

442 (g) The governor shall conduct a background investigation on a candidate for
443 appointment to the board regarding the financial stability, integrity and responsibility of the
444 candidate as well as the candidate's reputation for good character, honesty and integrity prior to
445 appointing the candidate as a board member.

446 (h) The chair of the board shall serve as the board's executive director. The chair shall
447 be:

448 (i) the executive and administrative head of the board; and

449 (ii) responsible for administering and enforcing the laws, regulations and civil
450 and administrative penalties established under this chapter.

451 (i) The chair shall appoint and employ a chief financial and accounting officer and may
452 employ other employees, consultants, agents and advisors, including legal counsel and shall
453 attend the meetings of the commission. The chief financial and accounting officer of the board
454 shall be in charge of its funds, books of account and accounting records. No funds shall be
455 transferred by the board without the approval and the signatures of the chief financial and
456 accounting officer and the treasurer.

457 (j) In the case of the absence or vacancy of the chair, or in the case of disability as
458 determined by the board or commission, the governor may designate an acting chair until the
459 vacancy is filled or the absence or disability ceases. The acting chair shall have all the powers and
460 duties of the chair and shall have similar qualifications as the chair.

461 (k) The chair may establish within the board such administrative units as may be
462 necessary for the efficient and economical administration of the board and when necessary for
463 such purpose, may abolish any such administrative unit or may merge any 2 or more units. The
464 chair shall prepare and keep current a plan of the organization of the board, of the assignment of
465 its functions to its various administrative units, offices and employees and of the places at which
466 and the methods by which the public may receive information or make requests. A current copy
467 of the plan of organization shall be kept on file with the state secretary and in the office of the
468 secretary of administration and finance.

469 (l) The chair may appoint such persons as the chair considers necessary to perform the
470 functions of the board; provided that chapter 31 and section 9A of chapter 30 shall not apply to
471 any board employee. If an employee serving in a position which is classified under said chapter
472 31 or in which an employee has tenure by reason of said section 9A of chapter 30 shall be
473 appointed to a position within the board which is not subject to said chapter 31, the employee
474 shall, upon termination of the employee's service in such position, be restored to the position

475 which the employee held immediately prior to such appointment; provided, however, that the
476 employee's service in such position shall be determined by the civil service commission under the
477 standards applied by the civil service commission in administering said chapter 31. Such
478 restoration shall be made without impairment of the employee's civil service status or tenure
479 under said section 9A of chapter 30 and without loss of seniority, retirement or other rights to
480 which uninterrupted service in such prior position would have entitled the employee. During the
481 period of such appointment, each person so appointed from a position in the classified civil
482 service shall be eligible to take any competitive promotional examination for which the person
483 would otherwise have been eligible.

484 (m) The board may require a prospective employee to: (i) submit an application and a
485 personal disclosure on a form prescribed by the board which shall include a complete criminal
486 history, including convictions and current charges for all felonies and misdemeanors; (ii) undergo
487 testing which detects the presence of illegal substances in the body; and (iii) provide fingerprints
488 and a photograph consistent with standards adopted by the state police. The board shall verify the
489 identification, employment and education of each prospective employee, including: (i) legal
490 name, including any alias; (ii) all secondary and post secondary educational institutions that the
491 prospective employee attended regardless of graduation status; (iii) place of residence; and (iv)
492 employment history.

493 (n) (1) The board shall not hire a prospective employee if the prospective employee has:
494 (A) been convicted of a felony; (B) been convicted of a misdemeanor that, in the discretion of the
495 board, bears a close relationship to the duties and responsibilities of the position for which
496 employment is sought; or (C) intentionally made a false statement concerning a material fact in
497 connection with the prospective employee's application to the board.

498 (2) If an employee of the board is charged with a felony or misdemeanor while employed
499 by the board, the board may suspend the employee, with or without pay, and if the employee is
500 convicted the board may terminate the employee's employment with the board. If an employee of
501 the board is charged with a felony or misdemeanor related to gaming while employed by the
502 board, the board shall suspend the employee, with or without pay, and if the employee is
503 convicted the board shall terminate the employee's employment with the board.

504 (o) Immediately upon assuming office, each board member and employee of the board,
505 except for secretarial and clerical personnel, shall swear or affirm, under the penalty of perjury,
506 that the board member or employee possesses no financial interest in any gaming licensee or
507 gaming vendor.

508 (p) A board employee who, as part of the employee's duties, is required to be present in a
509 gaming establishment shall be considered an essential state employee.

510 (q) No board member, or employee of the board, other than in the performance of such
511 member's or employee's official duties, shall place a wager in a gaming establishment.

512 (r) No employee of the board shall pursue any other business or occupation or other
513 gainful employment outside of the board without the prior written approval of the commission
514 that such employment shall not interfere or be in conflict with the employee's duties to the board.

515 (s) The board shall be a state authority under the definition in section 1 of chapter 29.

516 **Section 4.** (a) All gaming control employees shall:

517 (i) be sworn to the faithful performance of their official duties

518 (ii) conduct themselves in a manner so as to render decisions that are fair and impartial
519 and in the public interest;

520 (iii) avoid impropriety and the appearance of impropriety in all matters under their
521 jurisdiction;

522 (iv) avoid all prohibited communications;

523 (v) require staff and personnel subject to their direction and control to observe the same
524 standards of fidelity and diligence;

525 (vi) disqualify themselves from proceedings in which their impartiality might reasonably
526 be questioned;

527 (vii) refrain from financial or business dealings which would tend to reflect adversely on
528 impartiality;

529 (viii) not own, or be in the employ of, or own any stock in, any business which holds a
530 license under this chapter; nor shall a gaming control employee have in any way directly or
531 indirectly a pecuniary interest in, or be connected with, any such business or in the employ or
532 connected with any person financing any such business; provided, that immediate family
533 members of gaming control employees shall not own, or be in the employ of, or own stock in, any
534 business which holds a license under this chapter.

535 (b) No gaming control employee shall personally, or through any partner or agent, other
536 than in the normal course of the employee's duties, render any professional service or make or
537 perform any business contract with or for any gaming licensee or gaming vendor, except
538 contracts made with the board for furnishing of services, nor shall the employee directly or
539 indirectly receive any commission, bonus, discount, gift or reward from any gaming licensee.

540 (c) Neither the board nor any of its officers, agents, employees, consultants or advisors
541 shall be subject to sections 9A, 45, 46 and 52 of chapter 30, or to chapter 31 or to chapter 200 of
542 the acts of 1976.

543 (d) No individual shall be employed by the board if, during the period commencing 3
544 years prior to employment, that individual held any direct or indirect interest in, or was employed
545 by, a gaming licensee or gaming vendor.

546 (e) No commissioner or board member shall hold a direct or indirect interest in, or be
547 employed by, an applicant or by a gaming licensee or gaming vendor for at least 3 years
548 following the termination of the commissioner or board member's service as such a
549 commissioner or board member.

550 (f) No employee of the board holding a major policy making position shall acquire
551 interest in, or accept employment with, an applicant or licensee under this chapter for a period of
552 2 years after the termination of employment with the board.

553 (g) No employee of the board in a non-major policy making position shall acquire interest
554 in, or accept employment with, any applicant or licensee under this chapter for a period of 1 year
555 after termination of employment with the commission.

556 (h) Gaming control employees shall be considered state employees under chapters 268A
557 and 268B.

558 **Section 5.** The commission shall adopt regulations for the implementation, administration
559 and enforcement of this chapter. The adoption of such regulations shall only be made after the
560 board submits proposed regulations to the commission for the commission's review and
561 approval. The board, subject to chapter 30A, shall prepare its recommendations and submit such
562 recommendations to the commission. The regulations shall include, but not be limited to,
563 regulations that:

(1) prescribe the method and form of application which an applicant for a license or registration shall follow and complete before consideration of an application by the commission and board;

(2) prescribe the information to be furnished by an applicant or licensee concerning the licensee's or applicant's antecedents, habits, character, associates, criminal record, business activities and financial affairs, past or present;

(3) prescribe the criteria for evaluation of the application for a gaming license including with regard to the proposed gaming establishment an evaluation of architectural design and concept excellence, integration of the establishment into its surroundings, tourism appeal, level of capital investment committed, financial strength of the applicant and the robustness of the applicant's financial plan;

(4) prescribe the information to be furnished by a gaming licensee relating to the licensee's gaming employees;

(5) require fingerprinting or other methods of identification of an applicant for a license or registration under this chapter;

(6) prescribe the manner and method of collection and payment of fees and issuance of licenses;

(7) prescribe grounds and procedures for the revocation or suspension of a license or registration;

(8) require quarterly financial reports and an annual audit prepared by a certified public accountant attesting to the financial condition of a gaming licensee and disclosing whether the accounts, records and control procedures examined are maintained by the gaming licensee as required by this chapter and the regulations promulgated under this chapter;

587 (9) prescribe the minimum procedures for effective control over the internal fiscal affairs
588 of a gaming licensee, including the safeguarding of assets and revenues, the recording of cash and
589 evidence of indebtedness and the maintenance of reliable records, accounts and reports of
590 transactions, operations and events, including reports by the commission and board;

591 (10) provide for a minimum uniform standard of accounting engineering and procedures
592 and a process for the approval of accounting and engineering firms;

593 (11) establish licensure and registration procedures for employees working at the gaming
594 establishment and minimum training requirements; provided, further, that the commission and
595 board may establish certification procedures for any training schools in the commonwealth as
596 well as the minimum requirements for reciprocal licensing for out-of-state gaming employees;

597 (12) require that all gaming employees be properly trained in their respective positions;

598 (13) require a sticker or label to be affixed to the front of all slots machines in a gaming
599 establishment with the odds and holding percentage of the slot machines played in said gaming
600 establishment and the compulsive gambling hotline number;

601 (14) provide for the interim authorization of a gaming establishment under of section 17;

602 (15) concern the conduct of junkets and conditions of junket agreements between gaming
603 licensees and junket representatives;

604 (16) develop standards for granting a waiver under section 45;

605 (17) require gaming establishments to develop security measures, including checking the
606 parking areas of the gaming establishment for unattended minors and animals every 2 hours;

(18) prescribe the procedure for holding public hearings and seeking public input on the process for siting gaming establishments and the review of all applications for a gaming license before a gaming license is awarded or renewed; and

(19) establish procedures and ensure compliance with the timelines for making the capital investments required in clause (2) of subsection (a) of section 12 to ensure that minimum capital investments are made as quickly as possible after the beginning of operations.

The commission may, under section 2 of chapter 30A, promulgate, amend, or repeal any regulation promulgated under this chapter as an emergency regulation if such regulation is necessary to protect the interests of the commonwealth in regulating a gaming establishment.

Section 6. The commission shall have all powers necessary or convenient to carry out and effectuate its purposes, including, but not limited to, the following:

(1) to adopt an official seal;

(2) to execute all instruments necessary or convenient to accomplish the purposes of this chapter;

(3) to enter into agreements or other transactions with any person, including, but not limited to, any public entity or other governmental instrumentality or authority in connection with its powers and duties under this chapter;

(4) to appear on its own behalf before boards, commissions, departments or other agencies of municipal, state or federal government;

(5) to apply for and accept subventions, grants, loans, advances and contributions from any source of money, property, labor or other things of value, to be held, used and applied for its purposes;

629 (6) to assure that licenses and registrations shall not be issued to nor held by, nor shall
630 there be any material involvement, directly or indirectly, with a gaming establishment or a
631 gaming licensee, by unqualified, disqualified, or unsuitable persons or persons whose operations
632 are conducted in a manner not conforming with this chapter;

633 (7) to require an applicant for a position, which requires a license under this chapter, to
634 apply for a license and approve or disapprove any such application or other transactions, events
635 and processes as provided in this chapter;

636 (8) to require a person who has any kind of business association with a gaming licensee
637 or applicant to be qualified for licensure or registration under this chapter;

638 (9) to develop criteria, in addition to those outlined in this chapter, to assess which
639 application for a gaming licenses will provide the highest and best value to the commonwealth
640 and the region in which a gaming establishment is to be located;

641 (10) to determine which applicants shall be awarded a gaming license, a gaming vendor
642 license and other licenses under this chapter;

643 (11) to deny any application or limit, condition, restrict, revoke or suspend a license,
644 registration, finding of suitability or approval or fine a person licensed, registered, found suitable
645 or approved for any cause the commission deems reasonable;

646 (12) to issue subpoenas and compel the attendance of witnesses at any place within the
647 commonwealth, administer oaths and require testimony under oath before the commission in the
648 course of a hearing conducted under this chapter;

649 (13) to conduct adjudicatory proceedings under chapter 30A;

650 (14) to hear appeals of the board's suspension or revocation of a license;

651 (15) to monitor any federal activity regarding internet gaming; and

652 (16) to adopt, amend, or repeal regulations for the administration and enforcement of this
653 chapter.

654 **Section 7.** The board shall have all powers necessary or convenient to carry out and
655 effectuate its purposes, including, but not limited to, the following:

656 (1) to appoint officers and hire employees;

657 (2) to adopt an official seal;

658 (3) to establish, and amend as necessary, such a plan of organization as it may
659 consider expedient under subsection (k) of section 3;

660 (4) to execute all instruments necessary or convenient to accomplish the purposes of
661 this chapter;

662 (5) to enter into agreements or other transactions with any person, including, but not
663 limited to, a public entity or other governmental instrumentality or authority in connection with
664 the board's powers and duties under this chapter;

665 (6) to appear on its own behalf before boards, commissions, departments or other
666 agencies of municipal, state or federal government;

667 (7) to apply for and accept subventions, grants, loans, advances and contributions
668 from any source of money, property, labor or other things of value, to be held, used and applied
669 for its purposes;

670 (8) to provide and pay for advisory services and technical assistance as may be
671 necessary in its judgment to carry out the purpose of this chapter and fix the compensation of
672 persons providing such services or assistance;

(9) to prepare, publish and distribute, with or without charge, as the commission or board may determine, such studies, reports and bulletins and other material as the commission and board considers appropriate;

(10) to monitor the conduct of all licensees and other persons having a material involvement, directly or indirectly with a licensee for the purpose of ensuring that licenses are not issued to or held by, and there is no direct or indirect material involvement with a licensee by unqualified, or unsuitable persons or persons whose operations are conducted in an unsuitable manner or in unsuitable or prohibited places as provided in this chapter;

(11) to recommend:

(i) the denial or approval of an application, license or registration or qualification for licensure;

(ii) conditions, limitations or restrictions of any license, registration, qualification for licensure or approval;

(iii) the suspension or revocation of a license, registration, qualification for licensure or approval or the imposition of a fine upon a person licensed, registered or qualified for licensure or approved for any cause considered reasonable by the board;

(12) to conduct investigations into the qualifications of all applicants for employment by the board and all applicants for registration or licensure under this chapter;

(13) to ensure that there is no duplication of duties and responsibilities between the board, commission and division; provided, however, that the commission may not place any restriction upon the board or the division's ability to investigate or prosecute violations of this chapter or the regulations adopted under this chapter;

(14) to request and receive from the state police, the criminal history systems board, or other criminal justice agencies, including, but not limited to, the Federal Bureau of Investigation and the federal Internal Revenue Service, such criminal offender record information relating to criminal and background investigations as necessary for the purpose of evaluating

employees of, and applicants for, employment by the board and any gaming licensee or gaming vendor, and evaluating licensees and applicants for licensure;

(15) to be present through its inspectors and agents at all times in gaming establishments to: (i) certify the revenue of the establishment; (ii) receive complaints from the public relating to the conduct of gaming and wagering operations; (iii) examine records of revenues and procedures, inspect and audit all books, documents and records of any gaming licensee or gaming vendor; (iv) conduct periodic reviews of operations and facilities; and (v) otherwise exercise its oversight responsibilities with respect to gaming;

(16) to inspect and have access to all equipment and supplies in a licensed gaming establishment or in any gaming area or other premises where gaming equipment is manufactured, sold or distributed;

(17) to seize and remove from the gaming area or other premises of a gaming licensee and impound any equipment, supplies, documents or records for the purpose of examination and inspection;

(18) to demand access to and inspect, examine, photocopy and audit all papers, books and records of any affiliate of a gaming licensee or gaming vendor whom the commission or board suspects is involved in the financing, operation or management of the gaming licensee or gaming vendor; provided, however, that the inspection, examination, photocopying and audit may take place on the affiliate's premises or elsewhere as practicable, and in the presence of the affiliate or the affiliate's agent;

(19) to require that the books and financial or other records or statements of a gaming licensee or gaming vendor be kept in a manner that the board considers proper;

(20) to assist the commission in conducting adjudicatory proceedings and developing regulations in accordance with chapter 30A;

(21) to refer cases for criminal prosecution to the appropriate federal, state or local authorities;

(22) to issue subpoenas and compel the attendance of witnesses at any place within the commonwealth, administer oaths and require testimony under oath before the commission and board in the course of any investigation or hearing conducted under this chapter;

(23) to maintain an official internet website for the commission and board;

(24) to establish parameters for elections under clause 7 of subsection (a) of section 12;

(25) to determine which municipalities are the surrounding communities of a proposed gaming establishment; provided, however, that in making such determination the board shall consider factors including, but not limited to, population, infrastructure, distance from the gaming establishment and political boundaries;

(26) to provide technical and financial assistance to cities and towns that are conducting referendum votes or negotiating community mitigation impact agreements for the purposes of this chapter and to facilitate the negotiation of fair and reasonable agreements between an applicant and host or surrounding communities;

(27) to levy and collect assessments, fees and fines and impose penalties and sanctions for violations of this chapter and regulations under section 5;

(28) to levy and collect assessments for the operation of the board, bureau, commission, state police unit and division;

(29) to levy and collect taxes established in section 63; and

(30) to ensure that all environmental laws and regulations are followed and the mitigation of any impact on natural resources in the host and surrounding communities as a result of a gaming establishment.

Section 8. The board shall administer and enforce chapter 128A and 128C and any other general or special law related to pari-mutuel wagering. The board shall serve as a host racing commission and an off-track betting commission for purposes of 15 U.S.C.A.3001, et seq.

Section 9. (a) The board may require anyone with an interest in the business of an applicant for a gaming license or a close associate of an applicant for a gaming license, to be qualified for licensure by meeting the criteria set forth in sections 11 and 14 and to provide any other information that the board requires.

(1) For every business which applies for a gaming license, the board shall determine whether: each officer and director of a corporation, other than a publicly traded corporation; general partner and limited partner of a limited partnership; and member or transferee of a member's interest in a limited-liability company; and director and manager of a limited-liability company which applies for a gaming license meets the standards for qualification of licensure under sections 11 and 14. The board may also require that any of an applicant's business' individual stockholders, lenders, holders of evidence of indebtedness, underwriters, close associates, key gaming employees, key executives, agents or employees shall also be required to meet the standards for qualification of licensure.

(2) Any person owning more than 5 per cent of the common stock of the applicant company directly or indirectly or a holding, intermediary or subsidiary of an applicant company may be required to meet the qualifications for licensure under sections 11 and 14. The board may waive these requirements for institutional investors holding up to 15 per cent of the stock of the applicant company or holding, intermediary or subsidiary company of the applicant company upon a showing by the person seeking the waiver that the applicant purchased the securities for investment purposes only and does not have an intention to influence or affect the affairs or operations of the applicant company or a holding, intermediary or subsidiary of the applicant company. An institutional investor granted a waiver which subsequently determines to influence or affect the affairs or operations of the applicant company or a holding, intermediary or subsidiary of the applicant company shall provide not less than 30 days notice to the board of such intent and the board shall ensure that the institutional investor meets the qualifications for

775 licensure under sections 11 and 14 before the institutional investor may take an action that may
776 influence or affect the affairs of the applicant company or a holding, intermediary or subsidiary of
777 the applicant company.

778 (3) The board may require a person who is required to be qualified for licensure
779 by this section to meet the standards for qualification of licensure under sections 11 and 14 and
780 any other standards the board determines before providing a recommendation to the commission
781 on a gaming license application under section 14.

782 (b) The board shall require any person involved in the financing of an applicant's
783 proposed gaming establishment to be qualified for licensure under sections 11 and 14 and may
784 grant a waiver under clause (2) of subsection (a).

785 (c) If a corporation or other form of business organization applying for a gaming license
786 is to become a subsidiary, each holding company, intermediary company and other entity having
787 an interest in the applicant shall be required to be qualified for licensure under sections 11 and 14.

788 (d) The board may require that a company or individual that may exercise control or
789 provide direction to an applicant company or a holding, intermediary or subsidiary of an applicant
790 company be qualified for licensure under section 11 and 14 and may allow such person to seek a
791 waiver under clause (2) of subsection (a).

792 **Section 10.** (a) After a gaming license is awarded to an applicant, the board may require
793 that anyone with an interest in the gaming establishment be licensed by the commission or
794 registered by the board.

795 (1) When a business is awarded a gaming license, all close associates, key
796 gaming employees, institutional investors, junket representatives, junket enterprises, each officer
797 and director if it is a corporation other than a publicly traded corporation, each general partner

and limited partner if it is a limited partnership, and if it is a limited-liability company each member, transferee of a member's interest in the limited-liability company, director and manager of the limited-liability company, shall be licensed by the commission prior to the business beginning operations at the gaming establishment.

(2) Any person owning more than 5 per cent of the common stock of the gaming licensee or a holding, intermediary or subsidiary of a gaming licensee shall be licensed. The board may waive the licensing requirements for institutional investors holding up to 15 per cent of the stock of the gaming licensee or holding, intermediary or a subsidiary company of the gaming licensee upon a showing by the person seeking the waiver that the applicant purchased the securities for investment purposes only and does not have an intention to influence or affect the affairs or operations of the gaming licensee or a holding, intermediary or a subsidiary of the gaming licensee. An institutional investor granted a waiver which subsequently determines to influence or affect the affairs or operations of the gaming licensee or a holding, intermediary or a subsidiary of the gaming licensee shall provide not less than 30 days notice to the board of such intent and shall file an application and be subject to the licensing requirements of this chapter before taking an action that may influence or affect the affairs of the gaming licensee or a holding, intermediary or a subsidiary of the gaming licensee.

(3) All other gaming employees, gaming service employees, or any other person or business with an interest in the gaming establishment as determined by the board, shall be required to register with the board and provide such information as the board may require.

(b) Any person required to be licensed shall file an application with the board and shall provide any additional information as the board requires. The application shall be on a form prescribed by the board and shall include, but shall not be limited to, the following:

(1) the name of the applicant;

822 (2) the mailing address and if a corporation, the name of the state under the laws
823 of which the corporation is incorporated, the location of the corporation's principal place of
824 business and the names and addresses of the corporation's directors and stockholders;

825 (3) any criminal or arrest record;

826 (4) any civil judgments obtained against the applicant pertaining to antitrust or
827 security regulation;

828 (5) if the applicant is a business, the identity of every person or entity having a
829 direct or indirect interest in the business and the nature of such interest; provided, that, if the
830 entity is a trust, the application shall disclose the names and addresses of all beneficiaries;
831 provided, further, that if the entity is a partnership, the names and addresses of all partners, both
832 general and limited; and provided, further, that if the disclosed entity is a limited liability
833 company, the names and addresses of all members;

834 (6) an independent audit report of all financial activities and interests including,
835 but not limited to, the disclosure of all contributions, donations, loans or any other financial
836 transactions to or from any gaming licensee or operator of any gaming establishment in any
837 jurisdiction within the past 5 years; and

838 (7) clear and convincing evidence of financial stability including, but not limited
839 to, bank accounts, records, references, business and personal income and disbursement schedules,
840 tax returns and other reports filed with government agencies and business and personal
841 accounting check records and ledgers. The board may require such other information and
842 documentation as it deems appropriate including, without limitation, information related to the
843 financial integrity of the applicant.

844 (c) The board, by a majority vote of all members, may (i) make a recommendation to the
845 commission that the commission deny the application for a license; (ii) extend the period for
846 issuing a recommendation in order to obtain additional information necessary for a complete
847 evaluation of the application for a license; or (iii) recommend to the commission that the
848 commission grant the applicant a license.

849 (d) The commission may deny an application for a license and the board may deny an
850 application for a registration if the board or commission finds that a license applicant or registrant
851 is disqualified under section 11 or is unsuitable under section 14.

852 (e) A person who is required to be licensed under this section as a general or limited
853 partner shall not serve as such a partner for a licensee until the person obtains the required license
854 or waiver from the commission.

855 (f) The board shall require any person involved in the financing of a gaming
856 establishment to be licensed under this section but may grant a waiver under clause (2) of
857 subsection (a).

858 (g) A person serving in a position that is required to be licensed or registered shall apply
859 to be licensed by the commission or registered by the board not later than 30 days after taking a
860 position with the business. A person who is required to be licensed or registered under a decision
861 of the board shall apply for a license or registration not later than 30 days after the decision.

862 (h) If a corporation or other form of business organization holding a gaming license is to
863 become a subsidiary, the board shall require each holding company, intermediary company and
864 other entity to be licensed.

(i) The commission and board may require the licensing of a company or individual that may exercise control or provide direction to a gaming licensee or a holding, intermediary or subsidiary of a gaming licensee.

(j) The commission or board may condition, suspend or revoke a license or registration under this section if the commission or board finds that a licensee or registrant has:

(1) been arrested or convicted of a crime; or

(2) failed to comply with this chapter pertaining to licensees or registrants.

Section 11. The commission shall deny an application for a gaming license or a license or registration issued under this chapter, if the applicant:

(i) has been convicted of a felony or other convictions involving embezzlement, theft, fraud or perjury; provided, however, that for convictions which occurred before the 10-year period immediately preceding application for licensure, an applicant may demonstrate and the commission shall consider, the applicant's rehabilitation and whether such conviction should not result in a denial of the application under this section;

(ii) submitted an application for a license under this chapter that contains false or misleading information;

(iii) committed prior acts which have not been prosecuted or convicted but form a pattern of misconduct that make the applicant unsuitable for a license under this chapter; or

(iv) has affiliates or close associates who would not qualify for a license or whose relationship with the applicant could pose an injurious threat to the interests of the commonwealth in awarding a gaming license to the applicant.

886 **Section 12.** (a) No applicant shall be eligible to bid on a gaming license unless the
887 applicant meets the following initial criteria and clearly states as part of an application that the
888 applicant shall:

889 (1) agree to be a state lottery reseller for the purpose of lottery and keno games and
890 demonstrates that state lottery and keno games would be readily accessible to guests of the
891 gaming establishment;

892 (2) in accordance with the design plans required under clause (13) of subsection (a) of
893 section 13 and in consultation with the secretary of transportation and the secretary of housing
894 and economic development, invest not less than \$600,000,000 into a gaming establishment
895 proposed to be located in region 1, not less than \$600,000,000 into a gaming establishment
896 proposed to be located in region 2 and not less than \$600,000,000 into a gaming establishment
897 proposed to be located in region 3, which shall not include the purchase of the land where the
898 gaming establishment would be located;

899 (3) meet the licensee bonding requirement as set by the board;

900 (4) have a debt to equity ratio of not more than 4 to 1 when the application is submitted;

901 (5) own or acquire within 60 days after a license has been awarded, the land where the
902 gaming establishment is proposed to be constructed;

903 (6) demonstrate the ability to pay and commit to paying the licensing fee of at least
904 \$75,000,000 if the gaming establishment is to be located in region 1, at least \$75,000,000 if the
905 gaming establishment is to be located in region 2 and at least \$75,000,000 if the gaming
906 establishment is to be located in region 3 and the operating licensing payment of 25 per cent of all
907 gross gaming revenues; and demonstrate the ability to raise and commit to invest the funds
908 required in subsection (2);

(7) have received a certified and binding vote on a ballot question at an election in the host community, in favor of such license; provided, that, the vote must take place after the effective date of this chapter; provided, further, that a binding vote shall be conducted not less than 60 days after the execution of a signed agreement between the host community and the applicant as provided in subsection (10); provided, further, that the city, town or district that holds an election shall be reimbursed for its expenses related to the election by the applicant; provided further that, for purposes of this paragraph only, if the gaming establishment is proposed to be located in a city of 125,000 or more residents according to the most recent enumerated federal census, “host community” shall mean only the ward in which the gaming establishment is to be located for the purpose of receiving a certified and binding vote on a ballot question at an election; provided, further, that, upon the signing of an agreement between the host community and the applicant as provided in subsection (10), and on the request of the applicant, the city or town clerk shall set a date certain for an election on said ballot question in the host community; provided, further that, at such election, the question submitted to the voters shall be worded as follows:-- “Shall the (city/town) of _____ permit the Massachusetts Gaming Commission to authorize a gaming facility to be located at ____[description of site]____? YES _____ NO _____”; provided, further, that, if a majority of the votes cast in a host community in answer to the ballot question is in the affirmative, such host community shall be taken to have voted in favor of the applicant’s license.

(8) provide a community impact fee to the host community;

(9) pay for infrastructure costs of the host and surrounding communities incurred in direct relation to the construction and operation of a gaming establishment;

(10) provide to the commission a signed agreement between the host community and the applicant to have a gaming establishment located within the host community; provided, that the

933 agreement shall include the community impact fee for the host community and all stipulations of
934 responsibilities between the host community and the applicant, including stipulations of known
935 impacts from the development and operation of a gaming establishment;

936 (11) comply with state and local building codes and local ordinances and bylaws;

937 (12) formulate for board approval and abide by an affirmative-action program of equal
938 opportunity by which the applicant guarantees to provide equal employment opportunities to all
939 employees qualified for licensure in all employment categories, including a person with a
940 disability, under the laws of the commonwealth; and

941 (13) pay to the board a non-refundable application fee in the amount of \$400,000,
942 \$50,000 of which shall be utilized to reimburse the host and surrounding municipalities for the
943 cost of determining the impact of a proposed gaming establishment and for negotiating
944 community mitigation impact agreements.

945 (b) Notwithstanding any general or special law to the contrary, the construction of a new
946 gaming facility or the reuse of an existing structure or facility for the purposes of establishment of
947 a gaming facility shall require a review under sections 61 to 62H, inclusive, of chapter 30: the
948 Massachusetts Environmental Policy Act; and 301 CMR 11.00.

949 **Section 13.** (a) The board shall prescribe the form of the application for a gaming license
950 which shall require, but not be limited to, the following:

951 (1) the name of the applicant;

952 (2) the mailing address and, if a corporation, the name of the state under the laws of
953 which it is incorporated, the location of its principal place of business and the names and
954 addresses of its directors and stockholders;

955 (3) the identity of every person or entity having a direct or indirect interest in the
956 business and the nature of such interest; provided, that, if the entity is a trust, the application shall
957 disclose the names and addresses of all beneficiaries; provided, further, that if a partnership, the
958 names and addresses of all partners, both general and limited; and provided, further, that if a
959 limited liability company, the names and addresses of all members;

960 (4) whether the applicant is a federally recognized Native American tribe located in
961 the commonwealth or is partnering with a federally recognized Native American tribe located in
962 the commonwealth; provided, that if the applicant is a federally recognized Native American tribe
963 located in the commonwealth, such an applicant shall indicate whether the applicant has entered
964 into a contractual agreement with the commonwealth and whether the tribe has entered into an
965 agreement with the commonwealth to waive its rights under the Indian Regulatory Gaming act,
966 25 U.S.C. sections 2701, et seq. and be subject to the civil and criminal laws, statutes, ordinances
967 and jurisdiction of the commonwealth with respect to activities relating to the development and
968 operation of a gaming establishment;

969 (5) information and documentation to demonstrate that the applicant has sufficient
970 business ability and experience to establish the likelihood of creation and maintenance of a
971 successful gaming establishment;

972 (6) if an applicant has ever applied for or has been granted a license to conduct
973 gaming in another jurisdiction, or has had a license issued by any other jurisdiction that has been
974 denied, restricted, suspended, revoked or not renewed the applicant shall include a statement
975 describing the facts and circumstances concerning the application, denial, restriction, suspension,
976 revocation or nonrenewal, including the identity of the licensing authority, the date each action
977 was taken and the reason for each action;

978 (7) an independent audit report of all financial activities and interests including, but
979 not limited to, the disclosure of all contributions, donations, loans or any other financial

980 transactions to or from any gaming establishment or operator of a gaming establishment in the
981 past 5 years;

982 (8) clear and convincing evidence of financial stability including, but not limited to,
983 bank references, business and personal income and disbursement schedules, tax returns and other
984 reports filed by government agencies and business and personal accounting check records and
985 ledgers;

986 (9) evidence of ability and commitment to pay the gaming license fee;

987 (10) a capital investment plan and the total amount of investment proposed by the
988 applicant in the proposed gaming establishment, including all facilities, amenities and
989 infrastructure;

990 (11) evidence of sufficient capital to finance the proposed capital investment plan,
991 including investment in all facilities, amenities, infrastructure improvements as specified in the
992 design plan and continued operation of the proposed gaming establishment; provided, that, a
993 gaming licensee shall engage a third-party engineering and accounting firms to certify expenses
994 of its capital investment plan and provide documentation of such accounting to the board;
995 provided, further, that, the third-party engineering and accounting firms shall be approved by the
996 board and shall certify expenses under rules and regulations adopted by the commission under
997 section 5; provided, further, that, the design plan shall describe timelines and milestones for
998 design and construction of such infrastructure improvements and the applicant shall make
999 quarterly reports on the progress of such infrastructure improvements to the board, the respective
1000 host communities and the house and senate committees on ways and means;

1001 (12) the location for the proposed gaming establishment, which shall include the
1002 address, maps, book and page numbers from the appropriate registry of deeds, assessed value of
1003 the land at the time of application and ownership interests over the past 20 years including all
1004 interests, options, agreements in property and demographic, geographic and environmental

1005 information and any other information requested by the commission related to the proposed
1006 location;

1007 (13) the design plans for the proposed gaming establishment, including, but not
1008 limited to:

1009 (i) detailed design plans detailing all phases of construction;

1010 (ii) the names and addresses of the architects, engineers and designers;

1011 (iii) a detailed timeline for construction that includes all phases of
1012 construction for the gaming establishment and non-gaming structures;

1013 (iv) the number of construction hours estimated to complete the work and
1014 whether the developer has contracts with labor organizations or a provision assuring labor
1015 harmony during all phases of such construction, renovation or reconstruction of the development,
1016 and capital and routine maintenance; and

1017 (v) a responsible contractor policy and the specific qualifications
1018 required for all contractors and subcontractors on the project;

1019 (14) a detailed description of types of games to be conducted at the gaming
1020 establishment; number and type of each games and the specific gaming area;

1021 (15) a detailed description of the other amenities at the gaming establishment,
1022 including but not limited to:

1023 (i) the number of hotels and rooms per hotel and other amenities to be
1024 located at the proposed gaming establishment;

1025 (ii) the number of restaurants and other dining establishments to be located
1026 at the proposed gaming establishment; and

1027 (iii) a description of ancillary entertainment services and amenities to be
1028 offered at the proposed gaming establishment;

1029 (16) a detailed description of the proposed internal controls and security systems at
1030 the proposed gaming establishment;

1031 (17) whether the applicant purchased or intends to purchase publicly owned land for
1032 the proposed gaming establishment;

1033 (18) the number of permanent employees to be employed at the gaming establishment,
1034 including detailed information on pay rate and benefits;

1035 (19) a detailed description of the proposed gaming establishment's hiring and training
1036 practices, how it will promote the development of a skilled and diverse workforce, how it will
1037 provide opportunities for promotion;

1038 (20) whether the applicant would agree to hire any qualified persons permanently
1039 employed as of June 1, 2010 at a facility authorized to conduct simulcasting under chapter 128C
1040 that is in operation on June 1, 2010 within the region for which the gaming license was granted if
1041 said facility terminates operation within 1 year of the commission awarding the gaming license,
1042 and whether the applicant would agree to hire any qualified greyhound kennel owners, greyhound
1043 kennel workers, or other former greyhound track employees who lost their jobs as a result of the
1044 passage of chapter 388 of the acts of 2008; provided, however, that all employees within the
1045 gaming establishment shall be subject to all other requirements and conditions of employment
1046 under this chapter;

1047 (21) whether the applicant has a contract with organized labor and has the support of
1048 organized labor for its application; and whether the applicant has included detailed plans for
1049 assuring labor harmony during all phases of the construction, re-construction, renovation,
1050 development and operation of the gaming establishment;

1051 (22) an agreement and detailed description of how the applicant will mitigate potential
1052 negative public health consequences associated with gambling and the operation of a gambling
1053 establishment;

(23) completed studies and reports as required by the board, which shall include, but shall not be limited to, an examination of the proposed gaming establishment's: (a) economic benefits to the region and the commonwealth; (b) local and regional social, environmental, traffic and infrastructure impacts; (c) impact on the local and regional economy, including on cultural institutions and on small businesses in the host and surrounding communities; (d) cost to the host community and surrounding communities and the commonwealth for the proposed gaming establishment to be located at the proposed location; and (e) the estimated municipal and state tax revenue to be generated by the gaming establishment;

(24) a statement as to whether the applicant's proposed gaming establishment is part of or in accord with a regional or local economic development plan;

(25) a plan to identify, evaluate and mitigate social, economic, cultural and public safety impacts in surrounding communities; provided, that, the plan shall include proposed surrounding community impact fees and participation by the surrounding communities in identifying impacts and mitigation agreements with the surrounding communities;

(26) the names of proposed vendors of gaming equipment;

(27) responses to any additional questions that the board may ask; and

(28) a plan to identify, evaluate and mitigate transportation infrastructure impacts in surrounding communities.

(b) Applications for licenses shall be public records for the purposes of section 10 of chapter 66; provided further that trade secrets, competitively-sensitive or other proprietary information provided in the course of an application for a gaming license under this chapter, the disclosure of which would place the applicant at a competitive disadvantage, may be withheld from disclosure under chapter 66.

Section 14. (a) Upon receipt of an application for a license or registration under this chapter, the board shall investigate the suitability of the applicant. In evaluating the suitability of

an applicant, the board shall consider the overall reputation of the applicant including, but not limited to:

(1) the integrity, honesty, character and reputation of the applicant;

(2) the financial stability and background of the applicant;

(3) the business practices and the business ability of the applicant;

(4) whether the applicant has a history of compliance with gaming licensing requirements in other jurisdictions;

(5) whether the applicant, at the time of application, is a defendant in litigation involving its business practices;

(6) the suitability of all parties in interest to the gaming license, including affiliates, close associates and the financial resources of the applicant; and

(7) whether the applicant is disqualified from receiving a license under section 11; provided, however, that in considering the rehabilitation of an applicant for a gaming license, the commission shall not automatically disqualify an applicant if the applicant affirmatively demonstrates, by clear and convincing evidence, that the applicant has financial responsibility, character, reputation, integrity and general fitness as such to warrant belief by the commission or board that the applicant will act honestly, fairly, soundly and efficiently as a licensee or registrant.

(b) If the board determines during its suitability investigation under subsection (a) that an applicant for a gaming license has failed to: (i) establish the applicant's integrity or the integrity of an affiliate, close associate, financial source or person required to be qualified by the board; (ii) demonstrate responsible business practices in any jurisdiction; (iii) overcome any other reason, as determined by the board, as to why it would be injurious to the interests of the commonwealth in

awarding the applicant a gaming license, the board shall cease any further review and recommend to the commission that the application be denied.

Section 15. (a) If the board has determined an applicant for a gaming license is suitable to receive a gaming license, the board shall commence a review of the applicant's entire application.

(b) The board shall identify which communities shall be designated as the surrounding communities of a proposed gaming establishment. In making that determination the board shall consider the plan submitted by the applicant under clause (24) of subsection (a) of section 13, information received from the public and factors which include, but shall not be limited to, population, infrastructure, distance from the gaming establishment and political boundaries. Prior to the public hearing, the applicant shall provide to the board a signed agreement with each of the surrounding communities; provided that each agreement shall include a surrounding community impact fee and all stipulations of responsibility between the community and the applicant, including stipulations of known impacts from the development and operation of the gaming establishment. When necessary the board may facilitate the negotiation of fair and reasonable agreements between the applicant and surrounding communities.

(c) After a review of the entire application and any independent evaluations, the board shall conduct a public hearing on the application under section 11½ of chapter 30A. An applicant for a gaming license and a municipality designated as a host or surrounding community shall be given at least 30 days notice of the public hearing. The board shall hold the public hearing within the host community; provided, however, that the host community may request that the board hold the hearing in another city or town upon request by a majority of members of the town council, or in a city having a Plan D or Plan E charter, the city manager and the city council and in any other

city the mayor and city council and in towns a majority vote of those present and voting at a town meeting and approval by the board of selectmen.

(d) The public hearing shall provide the board the opportunity to address questions and concerns relative to the proposal of an applicant for a gaming license including the breadth and quality of the gaming area and amenities, the integration of the establishment into the surrounding community, the extent of required mitigation plans, as well as receive input from members of the public from the impacted community or communities. During the hearing, along with allowing members of the public to give verbal testimony, the board may read into the record letters of support, opposition or concern from members of the public.

(e) Not later than 90 days after the conclusion of the public hearing the board shall take action on the application. The board, by a majority vote of all members, may: (i) make a recommendation to the commission that the commission deny the application; (ii) extend the period for issuing a recommendation in order to obtain additional information necessary for a complete evaluation of the application; or (iii) recommend to the commission that the commission grant the applicant a gaming license.

(f) Upon making a decision to recommend denial of an application, the board shall prepare and file the board's decision with the commission and, if requested by the applicant, shall further prepare and file a statement of the reasons for the recommendation of denial, including specific findings of fact.

(g) The applicant shall be entitled to a hearing before the commission after the filing of the board's recommendation. The applicant shall have the right to contest the board's findings. A representative of the board shall also appear at the hearing and the commission may put such questions to that representative as it deems appropriate.

1147 (h) Not later than 60 days after the receipt of the recommendation of the board, the
1148 commission shall take action on the application. The commission, by majority vote of all
1149 commissioners, may: (i) deny the application; (ii) extend the period for issuing a decision in order
1150 to obtain any additional information necessary for a complete evaluation of the application; or
1151 (iii) grant the application for a gaming license.

1152 (i) Upon denial of an application, the commission shall prepare and publish its order and,
1153 if requested by the applicant, shall further prepare and file a statement of the reasons for the
1154 denial, including specific findings of fact.

1155 (j) The commission shall have full discretion as to whether to issue a license. Applicants
1156 shall have no legal right or privilege to a gaming license and shall not be entitled to any further
1157 review if denied.

1158 **Section 16.** (a) In determining whether an applicant should receive a gaming license, the
1159 commission shall evaluate:

1160 (1) whether the proposed gaming establishment offers the highest and best value
1161 creating a secure and robust gaming market in the region and the commonwealth;

1162 (2) the revenues received by the commonwealth;

1163 (3) the number and quality of the jobs provided by the proposed gaming
1164 establishment;

1165 (4) the degree to which the proposed gaming establishment meets the criteria
1166 identified in regulations adopted under section 5;

1167 (5) the degree to which potential impacts on host and surrounding communities
1168 which might result from the development or operation of the gaming establishment are mitigated;

1169 (6) the degree to which potential adverse effects which might result from the project
1170 including but not limited to, the cost of meeting the increase in demand for public health care,
1171 child care, public transportation, affordable housing and social services, are mitigated;

1172 (7) the distance between the proposed gaming establishment and any other gaming
1173 establishment;

1174 (8) how well the proposal protects the lottery from adverse impacts due to expanded
1175 gaming, including, but not limited to, developing cross-marketing strategies with the lottery and
1176 increasing ticket sales to out-of-state residents;

1177 (9) how well the proposal promotes local businesses in host and surrounding
1178 communities, including developing cross-marketing strategies with local restaurants, hotels, retail
1179 outlets and performing arts organizations;

1180 (10) how well the proposal implements a workforce development plan to utilize the
1181 existing labor force in the commonwealth and region, including the estimated number of
1182 construction jobs to be generated by a proposed gaming establishment, the development of
1183 workforce training programs and methods for accessing employment at the gaming
1184 establishment;

1185 (11) whether the proposal would build a gaming establishment with a variety of
1186 amenities and operate in partnership with local hotels, dining, retail and entertainment facilities so
1187 that patrons experience the diversified regional tourism industry;

1188 (12) whether the proposal takes additional measures to address problem gambling,
1189 including, but not limited to, training gaming employees in prevention programs targeted toward
1190 vulnerable populations and to identify patrons exhibiting problems with gambling;

1191 (13) the market analysis detailing the benefits of the site location of the gaming
1192 establishment and the estimated recapture rate of gaming-related spending by residents travelling
1193 to out-of-state gaming establishments;

(14) whether the proposal utilizes sustainable development and high performance design principles, including, but not limited to: (i) being certified as gold or higher under the appropriate certification category in the Leadership in Environmental and Energy Design program created by the United States Green Building Council; (ii) meeting or exceeding the stretch energy code requirements contained in Appendix 120AA of the Massachusetts building energy code or equivalent commitment to advanced energy efficiency as determined by the secretary of the executive office of energy and environmental affairs; (iii) efforts to mitigate vehicle trips; (iv) efforts to conserve water and manage storm water; (v) demonstration that electrical and HVAC equipment and appliances will be EnergyStar labeled where available; (vi) procuring or generating on-site 10 per cent of its annual electricity consumption from renewable sources qualified by the department of energy resources under section 11F of chapter 25A; and (vii) developing an on-going plan to sub-meter and monitor all major sources of energy consumption and undertake regular efforts to maintain and improve energy efficiency of buildings in their systems;

(15) whether the proposal establishes, funds and maintains human resource hiring and training practices and promotes the development of a skilled and diverse workforce and access to promotion opportunities through a workforce training program that: (i) establishes transparent career paths within the establishment, leading to increased responsibility and pay, with measurable criteria designed to assist employees pursuing career advancement and promotion; (ii) provides employees access to additional resources, such as tuition reimbursement or stipend policies, to enable employees to acquire education or job training needed to advance on those career paths; and (iii) establishes an on-site child day care program;

(16) whether the applicant would contracts with local business owners to provide services and goods to the gaming establishment;

(17) how well the proposal preserves and enhances the live horse racing industry in the commonwealth and its operational and economic sustainability, including the preservation

and development of jobs within the racing industry and related agricultural industries, or including the preservation and enhancement of purse programs in the commonwealth; and (18) the degree to which the proposed gaming establishment provides a suitable buffer to residential and commercial abutters.

(b) The commission shall issue a statement of findings of how each applicant proposes to meet the objectives in subsection (a).

Section 17. (a) The commission may issue not more than 3 gaming licenses based on the applications and bids submitted to the commission. Not more than 1 license may be awarded per region, as follows:

region 1: suffolk, middlesex, essex and worcester counties;

region 2: norfolk, bristol, plymouth, nantucket, dukes and barnstable counties;

region 3: hampshire, hamden, franklin and berkshire counties.

Gaming licenses shall only be issued to applicants who are qualified under the criteria set forth in this chapter as determined by the commission. Within any of the regions, if the commission is not convinced that there is an applicant that has both met the eligibility criteria and provided convincing evidence that the applicant will provide value to the region in which the gaming establishment is proposed to be located and to the commonwealth, no gaming license shall be awarded in that region.

(b) No other gaming license shall be issued by the commission for a period of 10 years.

(c) No gaming licensee shall transfer a license or any direct or indirect interest in the license or a gaming establishment without the majority approval of the commission. Any person seeking to acquire a license through a transfer shall qualify for licensure under this chapter. The

commission shall reject any license transfer or transfer of interest in the gaming establishment to an unsuitable person and may reject a proposed transfer that, in the opinion of the commission, would be disadvantageous to the interests of the commonwealth.

(d) (1) Notwithstanding any general or special law or rule or regulation to the contrary, the commission may grant, upon request of an applicant for a gaming license, a gaming beverage license for the sale and distribution of alcoholic beverages to be drunk on the premises of a gaming establishment. The alcoholic beverage control commission shall have the exclusive authority to enforce, regulate and control the distribution of alcoholic beverages in the gaming establishment.

(2) Chapter 138 and the rules and regulations promulgated by the alcoholic beverages control commission shall apply to a gaming establishment and a gaming beverage license unless otherwise provided by this section.

(3) The fee for the gaming beverage license and any renewals of the license shall be determined by the commission. The application fee shall be remitted with the gaming application fee.

(4) A licensee under this section shall be permitted to distribute alcohol free of charge and for on-premise consumption to patrons in the gaming area or as a complimentary service or item in the gaming establishment; provided, however, that the commission shall promulgate regulations on such distribution as well as the forms of identification that may be presented to the licensee to demonstrate proof that a person has attained the age of 21.

(5) The request submitted to the commission for a gaming beverage license by an applicant for a gaming license shall detail all areas where alcoholic beverages will be served within the gaming establishment. In issuing a gaming beverage license, the commission shall describe the scope of the particular license and any restrictions and limitations; provided,

1266 however, that the license shall not permit the sale or distribution of alcoholic beverages between
1267 the hours of 2 a.m. and 8 a.m.

1268 (6) A gaming licensee shall be responsible for violations of gaming beverage
1269 license in the gaming establishment. The commission may revoke, suspend, refuse to renew or
1270 refuse to transfer a gaming beverage license for violations of chapter 138, regulations
1271 promulgated by the alcoholic beverages control commission and the regulations adopted by the
1272 commission. If, at any time, a licensee elects temporary suspension of their gaming license due to
1273 violations of this section, said licensee shall owe the commonwealth the average tax on gross
1274 gaming revenue based on an appropriate period of time as determined by the commission for the
1275 number of days operation was suspended.

1276 (7) A gaming beverage license shall be nontransferable without prior approval from
1277 the commission. If the license granted under this section is cancelled, revoked or no longer in
1278 use, it shall be returned physically, with all the legal rights, privileges and restrictions pertaining
1279 to the license, to the commission and the commission may then grant the license to a new gaming
1280 licensee under the same conditions as specified in this section.

1281 (8) A license granted under this section shall not decrease the number of such
1282 licenses authorized to be granted to the host community under chapter 138.

1283 (e) A gaming license issued under this chapter shall be valid for a period of 10 years from
1284 the date of first issuance. Ten years after issuance, and every 10 years thereafter, the commission
1285 shall perform a thorough review of the business strategy of the gaming establishment which shall
1286 include plans for expansion and marketing submitted by the licensee. The commission shall
1287 establish procedures for renewal and set the renewal fee based on the cost associated with the
1288 evaluation of a licensee requesting a renewed gaming license.

1289 A gaming licensee shall issue an annual report to the board explicitly stating its progress
1290 on meeting each of the stated goals and stipulations from the licensee's original application. If a
1291 licensee is unable to meet stated goals within a reasonable time frame, as determined by the
1292 board, the board may levy additional fees, so long as the fees are fair and reasonable and the
1293 commission may revoke the license, so long as the licensee has been afforded a proper hearing on
1294 the matter.

1295 Nothing in this section shall preclude the board at any time from reviewing the business
1296 operations of a gaming licensee to ensure that the conditions of licensure are being met,
1297 including, but not limited to, the suitability of the licensee and any affiliates and the fiscal
1298 stability of the gaming establishment.

1299 (f) The commission may condition, suspend or revoke a gaming license upon a finding
1300 that a licensee: (i) has committed a criminal or civil offense under this chapter or any other laws
1301 of the commonwealth; (ii) is not in compliance with gaming regulations or is under criminal
1302 investigation in another jurisdiction; (iii) has breached a condition of the gaming license; (iv) is
1303 conducting business with or employing a person or entity subject to license or registration under
1304 this chapter that is not licensed or registered; (v) is no longer capable of maintaining operations at
1305 a gaming establishment; or (vi) whose business practice, upon a determination by the
1306 commission, is injurious to the policy objectives of this chapter.

1307 (g) Whenever any person contracts to transfer any property relating to an ongoing gaming
1308 establishment, including a security holding in a gaming licensee or holding or intermediary
1309 company, under circumstances which require that the transferee obtain licensure under this
1310 chapter, the contract shall not specify a closing or settlement date which is sooner than 121 days
1311 after the submission of a completed application for licensure or qualification, which application
1312 shall include a fully executed and approved trust agreement.

1313 The commission shall hold a hearing and render a decision on the interim authorization of
1314 the applicant. If the commission grants interim authorization, then the closing or settlement may
1315 occur without interruption of gaming operations. If the commission denies interim authorization,
1316 there shall be no closing or settlement until the commission makes a determination on the
1317 qualification of the applicant. If the commission then denies qualification the contract shall be
1318 terminated for all purposes without liability on the part of the transferor.

1319 (h) No person or affiliate shall be awarded, purchase or otherwise hold or have a financial
1320 interest in more than 1 gaming license issued by the commission.

1321 (i) When granting the gaming licenses, the commission shall take into consideration the
1322 physical distance in of the proposed gaming establishments as they relate to each other and how
1323 to maximize the benefits to the commonwealth. No gaming establishment shall be located within
1324 40 miles of any other gaming establishment in the commonwealth.

1325 (j) The commission shall evaluate all gaming license applications to determine which
1326 application provides the highest and best value to the region and to the commonwealth based on
1327 the criteria set out in this chapter, and any other terms the commission determines by regulation.
1328 If there is more than 1 applicant in a region who is determined by the commission to be eligible
1329 for a gaming license under this section, the commission shall allow each eligible applicant to
1330 resubmit its application. An eligible applicant may, in its resubmitted application, voluntarily
1331 increase the license fee required by subsection (k) and may modify any portion of their
1332 application related to the factors listed in section 16. The commission shall consider the entire
1333 application and not base its decision solely on the additional license fee payments in determining
1334 which applicant shall be awarded a license.

1335 (k) A gaming licensee which has received a license in region 1 or 2 shall pay to the board
1336 a fee of not less than \$75,000,000 and a gaming licensee which has received a license in region 3

shall pay to the board a fee of not less than \$50,000,000. These fees shall be paid not later than 30 days after the final award of the license which sets forth the conditions to be satisfied by the licensee before the gaming establishment may be opened to the public.

Section 18. (a) The board shall prescribe the form of the gaming license, which shall include, but shall not be limited to, the following license conditions:

(1) Each gaming licensee shall have an affirmative obligation to abide by every statement made in its application to the board under section 13 and every statement made in its bid submission to the board under section 17.

(2) Each gaming licensee shall comply with all laws of the commonwealth and all rules and regulations promulgated under this chapter.

(3) Each gaming licensee shall abide by all state and local building codes.

(4) Each gaming licensee shall pay daily to the board the gross gaming revenue payment.

(5) Each gaming licensee shall make, or cause to be made, capital expenditures to its gaming establishment in a minimum aggregate amount equal to or greater than 3.5 per cent of the net gaming revenues derived from the establishment.

(6) No person including, but not limited to, a substantial party in interest, affiliates and those entities established under the rules and regulations of the state secretary, shall transfer a license, a direct or indirect real interest, structure, real property, premises, facility, personal interest or pecuniary interest under a license issued under this chapter or enter into an option contract, management contract or other agreement or contract providing for such transfer in the present or future, without the notification to, and approval by, the commission. The commission

may promulgate rules and regulations, under section 5, that create exemptions from the approval requirement; provided, that:

(i) in no event shall a bona fide commercial financial institution licensed by the division of banks which becomes a substantial party of interest with a licensee be considered a transferee;

(ii) the commission may require the transferor, transferee, or both, to pay to the board an amount representing the commonwealth's share of the increased value for the transferred licenses, property or interest; provided, further, that the commission shall consider as a factor in determining the amount of the payment the market value of said license, property or interest when it was acquired and at the time of the transfer; provided, further, that the commission may place additional conditions or restrictions on said transfer that the commission considers suitable; provided, further, that the commission may reject said transfer if the commission considers the transfer unsuitable; and

(iii) any payments collected by the board on behalf of the commonwealth based on said transfer shall be deposited in the same manner as license fees are deposited.

(7) No gaming licensee shall be permitted to change its business governing structure without the notification and approval of the commission.

(8) No gaming licensee shall operate, invest or own, in whole or in part, another licensee's license or gaming establishment. The commission shall promulgate rules and regulations, under section 5, to address violations of this subsection.

(9) Each gaming licensee shall cooperate with the commission, the board and the attorney general in all gaming-related investigations. Each licensee shall make readily available all documents, materials, equipment, personnel and any other items requested during all

investigations. Material that the licensee considers a trade secret or detrimental to the licensee if it were made public may, with the board's approval, be protected from public disclosure and the gaming licensee may require non-disclosure agreements with the board before disclosing such material.

(10) Each gaming licensee shall cooperate with the commission, the board and the attorney general with respect to the investigation of any criminal matter that is discovered on the gaming establishment. The gaming licensee shall, upon receipt of criminal or civil process compelling testimony or production of documents in connection with a civil or criminal investigation, immediately disclose such information to the board. This section shall not prohibit private persons or public entities from seeking any remedy or damages against a gaming licensee.

(11) Each gaming licensee shall allow the board to conduct warrantless searches of the licensee's gaming area.

(12) Each gaming licensee shall have a duty to inform the board of any action which the licensee reasonably believes would constitute a violation of this chapter, and shall assist the board and any federal or state law enforcement agency in the investigation and prosecution of such violation. No person who informs the board of such an action shall be discriminated against by an applicant or licensee as a consequence for having supplied of such information.

(13) Each gaming licensee shall agree to be a state lottery reseller for the purpose of lottery, multi-jurisdictional lottery and keno games and to demonstrate that state lottery and keno games are readily accessible to people in the gaming establishment.

(14) Each gaming licensee shall provide an office for the board at the gaming establishment. The board shall establish the minimum requirements for said office.

1404 (15) Each gaming licensee shall provide an office for the designated state police unit
1405 at the gaming establishment. The board shall establish the minimum requirements for square
1406 footage for the state police office, office furnishings and parking space.

1407 (16) Each gaming licensee shall collect and annually report to the board a detailed
1408 statistical report on the number, job titles, benefits and salary of employees hired and retained in
1409 employment at the gaming establishment.

1410 (17) Each gaming licensee shall agree to make a good faith effort to identify and
1411 recruit candidates from the local labor market area and other nearby labor market areas to ensure
1412 a diverse workforce.

1413 (18) Each gaming licensee shall establish, fund and maintain internal human resource
1414 hiring and training practices that promote the development of a skilled and diverse workforce
1415 with access to promotion opportunities by:

1416 (i) establishing transparent career paths with measurable criteria within the
1417 gaming establishment that lead to increased responsibility and higher pay grades that are designed
1418 to allow employees to pursue career advancement and promotion;

1419 (ii) establishing employee access to additional resources, such as tuition
1420 reimbursement or stipend policies, to enable employees to acquire the education or job training
1421 needed to advance career ladders based on increased responsibility and pay grades; and

1422 (iii) establishing an on-site child day care program.

1423 (19) Each gaming licensee shall formulate for board approval and abide by an
1424 affirmative-action program of equal opportunity by which the applicant guarantees to provide
1425 equal employment opportunities to all employees qualified for licensure in all employment
1426 categories, including a person with a disability, under the laws of the commonwealth.

1427 (20) Each gaming licensee shall employ only those persons licensed by the
1428 commission or registered by the board.

1429 (21) Each gaming licensee shall do business only with those vendors licensed by the
1430 commission or registered by the board.

1431 (22) Each gaming licensee shall provide to the board aggregate demographic
1432 information with respect to the licensee's customers in a manner and under a schedule to be
1433 defined by the board.

1434 (23) Each gaming licensee shall meet the requirements under clauses 7 through 11 of
1435 subsection (a) of section 12 and clause (23) of subsection (a) of section 13 to the satisfaction of
1436 the board.

1437 (24) Each gaming licensee shall provide complimentary on-site space for an
1438 independent substance abuse, compulsive gambling and mental health counseling service and
1439 establish a program to train the gaming employees in the identification of and intervention with
1440 customers exhibiting problem gaming behavior.

1441 (25) Each gaming licensee shall keep conspicuously posted in the gaming area a
1442 notice containing the name and a telephone number for problem gambling assistance. The board
1443 may require the licensee to provide this information in more than 1 language.

1444 (26) Each gaming licensee shall provide a process for individuals to exclude such
1445 individuals' names and contact information from the gaming licensee's database or any other list
1446 held by the gaming licensee for use in marketing or promotional communications.

1447 (27) Each gaming licensee shall meet the requirements under clause (22) of
1448 subsection (a) of section 13 to the satisfaction of the board.

1449 (28) Each gaming licensee shall institute additional public health strategies as required
1450 by the board.

1451 (29) No gaming licensee or gaming establishment shall authorize or conduct direct
1452 marketing and promotional communications relative to gaming targeted towards persons under
1453 the age of 21.

1454 (b) The board may include any reasonable additional requirements to the license
1455 conditions.

1456 **Section 19.** (a) No person or business shall conduct any business with a gaming licensee
1457 regarding the licensee's gaming establishment unless such person has been licensed by the
1458 commission or registered by the board.

1459 (1) No person or business shall manufacture, sell, distribute or repair gaming
1460 equipment or slot machines, other than antique slot machines as defined in section 5A of chapter
1461 271, without a valid gaming vendor license issued by the commission.

1462 (2) Non-gaming vendors shall be required to register with the board and shall
1463 produce such information as the board may require; provided, however, that the board may
1464 require any vendor otherwise considered a non-gaming vendor, which regularly conducts over
1465 \$250,000 of business with a gaming licensee within a 12 month period, or \$100,000 of business
1466 within a 3 year period, to be licensed as a gaming vendor.

1467 (3) The gaming commission shall develop and promulgate regulations to ensure
1468 compliance with federal laws pertaining to immigration and citizenship including, but not limited
1469 to, 42 U.S.C. section 1436(a), by (a) a person receiving funds under a contract awarded by a
1470 gaming licensee regarding the licensee's gaming establishment and (b) a business engaged in the
1471 construction of any gaming establishment licensed under this chapter. Such regulations shall

1472 include, but not be limited to, ascertaining and verifying immigration and citizenship status
1473 through a work authorization program.

1474 (4) For the purpose of this chapter, “work authorization program”, shall mean an
1475 electronic verification of work authorization program or an equivalent work authorization
1476 program operated by the United States Department of Homeland Security, the United States
1477 Department of Labor, the Social Security Administration, other federal agency or by a private
1478 verification system authorized by the director of labor to verify information of newly hired
1479 employees, pursuant to the Immigration Reform and Control Act of 1986 and its successor acts.

1480 (5) No funds shall be expended under a contract awarded by or to a gaming
1481 licensee if such expenditure would result in the payment of any kind to a person not in
1482 compliance with any and all federal laws pertaining to immigration and citizenship, including but
1483 not limited to, 42 U.S.C. 1436(a).

1484 (b) Any person seeking a gaming vendor license shall file an application with the board.
1485 Such application shall be on a form prescribed by the board and shall include, but shall not be
1486 limited to, the following:

1487 (1) the name of the applicant;

1488 (2) the mailing address and if a corporation, the name of the state under the laws
1489 of which the corporation is incorporated, the location of the corporation’s principal place of
1490 business and the names and addresses of the corporation’s directors and stockholders;

1491 (3) any criminal or arrest record;

1492 (4) any civil judgments obtained against the person pertaining to antitrust or
1493 security regulation;

1494 (5) the identity of every person or entity having a direct or indirect interest in the
1495 business and the nature of such interest; provided, that, if the entity is a trust, the application shall
1496 disclose the names and addresses of all beneficiaries; provided, further, that if the entity is a
1497 partnership, the names and addresses of all partners, both general and limited; and provided,
1498 further, that if the disclosed entity is a limited liability company, the names and addresses of all
1499 members;

1500 (6) an independent audit report of all financial activities and interests including,
1501 but not limited to, the disclosure of all contributions, donations, loans or any other financial
1502 transactions to or from any gaming licensee or operator of a gaming establishment in the past 5
1503 years; and

1504 (7) clear and convincing evidence of financial stability including, but not limited
1505 to, bank accounts, records, references, business and personal income and disbursement schedules,
1506 tax returns and other reports filed by government agencies and business and personal accounting
1507 check records and ledgers.

1508 The board may require such other information as it deems appropriate including, without
1509 limitation, information related to the financial integrity of the applicant and may require the
1510 applicant to submit other documentation the board considers appropriate.

1511 (c) Any person owning more than 5 per cent of the common stock of a company required
1512 to be licensed as a gaming vendor, or a holding, intermediary or subsidiary of such company,
1513 shall be required to file for licensure. The commission may waive the licensing requirements for
1514 institutional investors holding up to 15 per cent of the stock of the company, or holding,
1515 intermediary or subsidiary company of the company, upon a showing by the person seeking the
1516 waiver that the applicant purchased the securities for investment purposes only and does not have
1517 any intention to influence or affect the affairs or operations of the company or a holding,

intermediary or subsidiary of the such company. Any institutional investor granted a waiver which subsequently determines to influence or affect the affairs or operations of the gaming vendor, or a holding, intermediary or subsidiary of the gaming vendor, shall provide not less than 30 days notice to the board of such intent and shall file an application and be subject to the licensing requirements of this chapter before taking an action that may influence or affect the affairs of the applicant company or a holding, intermediary or subsidiary of the applicant company.

(d) The board, by a majority vote of all members, may (i) make a recommendation to the commission that it deny a gaming vendor license application; (ii) extend the period for issuing a recommendation in order to obtain additional information necessary for a complete evaluation of the gaming vendor license application; or (iii) recommend to the commission that it grant the applicant a gaming vendor license.

(e) The board may deny an application for registration of a non-gaming vendor or supplier if the board finds that an applicant or registrant is disqualified under section 11 or may be unsuitable for registration under section 14.

(f) The commission or board, in the case of a non-gaming vendor, may condition, suspend or revoke any license or registration under this section if the commission or board finds that a licensee or registrant has:

(i) been arrested or convicted of a crime;

(ii) failed to comply with section 10; or

(iii) failed to comply with this chapter pertaining to licensees.

(g) The board shall establish a master vendor list to monitor all gaming and non-gaming vendor contracts with a gaming establishment. A vendor doing business with a gaming

establishment which has failed to submit an application for licensure or registration shall be prohibited from engaging in any future business with a gaming establishment; provided, however, that the board may terminate any contracts that have been entered into with an unlicensed or unregistered vendor.

(h) Each gaming licensee shall have a continuing duty to inform the board of all gaming and non-gaming vendor contracts.

(i) A license or registration issued under this section shall be issued for a term of 3 years. It shall be the responsibility of the vendor to ensure that the vendor's license or registration is current.

(j) The board shall establish fees for gaming vendor licenses which shall include costs incurred for conducting a background investigation into an applicant for said license. The board shall establish fees for non-gaming vendor registration which shall include costs incurred for conducting a background investigation into an applicant for said registration.

(k) The board shall monitor the conduct of all gaming vendors and other persons having a material involvement, directly or indirectly, with a gaming vendor to ensure that gaming vendor licenses are not issued to, or held by, and there is no direct or indirect material involvement with, a gaming vendor by unqualified, disqualified or unsuitable persons.

Section 20. (a) Each labor organization, union or affiliate seeking to represent employees who are employed at a gaming establishment shall register with the board.

(b) Neither a labor organization, nor its officers who are not otherwise licensed or registered under this chapter, may hold any financial interest in a gaming establishment whose employees are represented by the organization.

1563 **Section 21.** (a) A gaming licensee shall be permitted to issue credit to a patron of a
1564 gaming establishment under regulations promulgated under section 5. Such regulations shall
1565 include, but not be limited to: (i) procedures for confirming that a patron has an established credit
1566 history and is in good standing; (ii) whether the patron has a good credit history with the gaming
1567 establishment; (iii) authorization of a credit instrument; (iv) methods for acknowledging a credit
1568 instrument and payment of debt; and (v) information to be provided by the patron to the gaming
1569 establishment to be shared with the board for auditing purposes.

1570 (b) Except as otherwise authorized by the board through regulations under section 5, no
1571 establishment, nor any person acting on behalf of an establishment shall: (1) cash any check,
1572 make any loan or otherwise provide or allow to a person any credit or advance of anything of
1573 value, or which represents value, to enable a person to place a wager; or (2) release or discharge a
1574 debt, either in whole or in part, or make a loan which represents any losses incurred by a player in
1575 gaming activity, without maintaining a written record of the release or discharge under the rules
1576 of the commission. Nothing in this section shall prohibit an establishment from accepting credit
1577 cards for non-gaming related purchases or services.

1578 (c) Checks cashed in conformity with the requirements of this chapter shall be valid
1579 instruments enforceable under the laws of the commonwealth. Any check cashed, transferred,
1580 conveyed or given in violation of this chapter or regulations promulgated under section 5 shall be
1581 invalid and unenforceable.

1582 (c 1/2) The commission shall, in consultation with the department of transitional
1583 assistance, the department of labor and workforce development, the department of housing and
1584 community development or the applicable administering agency, establish by regulation, under
1585 section 5, procedures and standards to prohibit an establishment or any person acting on behalf of
1586 an establishment from: (1) cashing a government-issued check; (2) from operating on its premises

any credit card or ATM machine that would allow a patron to obtain cash from a government-issued Electronic Benefits Transfer Card; and (3) from extending or issuing credit to a patron of a gaming establishment who receives any form of income-based public assistance including, but not limited to, the Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Families, Emergency Aid to Elders, Disabled and Children, public housing assistance, MassHealth and unemployment insurance. The procedures and standards established shall ensure the privacy of all patrons receiving public assistance.

(d) The commission shall establish by regulation, under section 5, procedures and standards for approving promotional gaming credits; provided, that, no such credit shall be reported as a promotional gaming credit by an operator of a gaming establishment unless the operator can establish that the credit was issued by the gaming establishment and received from a patron as a wager at a game in the gaming establishment; provided, further, that such promotional gaming credit shall not be taxable for the purposes of determining gross revenue.

(e) No other person or entity, other than a gaming licensee licensed under this chapter, shall issue credit to a person while the person is a patron of a gaming establishment.

(f) Debt collections under this section and debt collection regulations promulgated under section 5 shall be limited to key gaming employees or attorneys acting directly on behalf of gaming licensees; provided further that a key gaming employee shall be prohibited from making any such collections if the key gaming employee serves as a junket representative for the gaming establishment.

(g) On an annual basis, each gaming licensee shall report to the commission the number of debt collection processes on patrons that the commission initiates and the total amount recovered by the licensee. Notwithstanding any general or special laws to the contrary, this report shall be considered public record.

1611 **Section 22.** (a) No junkets may be organized or permitted and no person may act as a
1612 junket representative or junket enterprise except as authorized by the board under this chapter.

1613 (b) A junket representative employed by a gaming licensee or affiliate shall be licensed as
1614 a gaming employee; provided, however, that a junket representative need not be a resident of the
1615 commonwealth. A person who holds a valid gaming employee license may act as a junket
1616 representative while employed by a gaming licensee or an affiliate. No gaming licensee shall
1617 employ or otherwise engage a junket representative who is not licensed under this chapter.

1618 (c) The board shall deny an application for a license under this section if the board finds
1619 that an applicant is disqualified under section 11 or may be unsuitable for licensure under section
1620 14.

1621 (d) Each gaming licensee, junket representative or junket enterprise shall file a report
1622 with the board with respect to each list of junket patrons or potential junket patrons purchased
1623 directly or indirectly by the gaming licensee, junket representative or enterprise.

1624 (e) No junket enterprise or junket representative or person acting as a junket
1625 representative shall: (i) engage in efforts to collect upon checks that have been returned by banks
1626 without full and final payment; (ii) exercise approval authority with regard to the authorization or
1627 issuance of credit under this chapter; (iii) act on behalf of or under any arrangement with a
1628 gaming licensee or a gaming patron with regard to the redemption, consolidation or substitution
1629 of the gaming patron's checks awaiting deposit; (iv) individually receive or retain any fee from a
1630 patron for the privilege of participating in a junket; or (v) pay for any services, including
1631 transportation, or other items of value provided to, or for the benefit of, any patron participating
1632 in a junket.

1633 **Section 23.** (a) No gaming licensee shall offer complimentary services, gifts, cash or
1634 other items of value to any person unless those complimentary services or items are provided

1635 through a complimentary distribution program which shall be filed and approved by the board
1636 upon the implementation of the program or maintained under regulations adopted under section 5.

1637 (b) Gaming licensees shall submit quarterly reports to the board covering all
1638 complimentary services offered or engaged in by the licensee during the immediately preceding
1639 quarter. The reports shall identify regulated complimentary services and the costs of those
1640 services, the number of people who received each service or item and such other information as
1641 the board may require. The report shall also document any services or items valued in excess of
1642 \$2,000 that were provided to patrons, including detailed reasons as to why they were provided.

1643 (c) Complimentary services or items shall be valued in an amount based upon the retail
1644 price normally charged by the gaming licensee for the service or item. The value of a
1645 complimentary service or item not normally offered for sale by a gaming licensee or provided by
1646 a third party on behalf of a gaming licensee shall be the cost to the gaming licensee of providing
1647 the service or item, as determined under rules adopted by the commission.

1648 **Section 24.** (a) Upon revocation or suspension of a gaming license under section 26 or
1649 upon the failure or refusal to renew a gaming license the commission may appoint a conservator
1650 to temporarily manage and operate the business of the licensee relating to the gaming
1651 establishment. Such conservator shall be a person of similar experience in the field of gaming
1652 management and, in the case of replacing a gaming licensee, shall have experience operating a
1653 gaming establishment of similar caliber in another jurisdiction, and shall be in good standing in
1654 all jurisdictions in which the conservator operates a gaming establishment.

1655 Upon appointment, a conservator shall agree to all licensing provisions of the former
1656 licensee.

(b) A conservator shall, before assuming managerial or operational duties, execute and file a bond for the faithful performance of such duties payable to the board with such surety and in such form and amount as the board shall approve.

(c) The board shall require that the former or suspended licensee purchase liability insurance, in an amount determined by the board, to protect a conservator from liability for acts or omissions of the conservator during the conservator's appointment reasonably related to, and within the scope of, the conservator's duties.

(d) During the period of temporary management of the gaming establishment, the commission shall initiate proceedings under this chapter to award a new gaming license to a qualified applicant whose gaming establishment shall be located at the site of the preexisting gaming establishment.

(e) Applicants for a new gaming license shall be qualified for licensure under this chapter; provided, however, that the commission shall determine an appropriate level of investment by an applicant into the preexisting gaming establishment.

(f) Upon award of a new gaming license, the new gaming licensee shall pay the licensing fee.

Section 25. (a) There shall be within the board an investigations and enforcement bureau, which shall be the primary enforcement agent for regulatory matters under this chapter. The bureau shall perform such functions as the chair of the board determines in relation to enforcement, including the investigations of all licensees under this chapter. The bureau shall be under the supervision and control of the deputy director for investigations and enforcement. The deputy director shall be the executive and administrative head of the bureau and shall be responsible for administering and enforcing the law relative to the bureau and to each administrative unit of the bureau. The duties given to the deputy director in this chapter and in

any other general or special law shall be exercised and discharged subject to the direction, control and supervision of the chair of the board.

(b) The bureau shall be a law enforcement agency and its employees shall have such law enforcement powers as to effectuate the purposes of this chapter, including the power to receive intelligence on an applicant or licensee under this chapter and to investigate a suspected violation of this chapter.

(c) Officers and employees of the gaming enforcement unit of the state police assigned to the commission under section 70 of chapter 22C shall work with employees of the bureau, under the direction of the deputy director, to investigate violations of this chapter by a licensee under this chapter or any activity taking place on the premises of a gaming establishment. Officers assigned to work with the bureau shall record their time and submit total hours to the bureau. The board shall reimburse the state police.

(d) The bureau shall notify the division of gaming enforcement in the office of the attorney general of any criminal violations by a gaming licensee. The bureau and the division shall cooperate on the regulatory and criminal enforcement of this chapter and may determine whether to proceed with civil or criminal sanctions, or both against said licensee.

(e) To further effectuate the purposes of this chapter with respect to the investigation and enforcement of licensed gaming establishments and licensees, the bureau may obtain or provide pertinent information regarding applicants or licensees from or to law enforcement entities or gaming authorities and other domestic, federal or foreign jurisdictions, including the Federal Bureau of Investigation and may send or receive such information electronically.

(f) The gaming enforcement unit of the department of state police shall have exclusive police jurisdiction of any criminal activity relating to the operation of a gaming establishment or relating to games or gaming that occurs inside a gaming establishment; provided, however, that

the state police shall have concurrent jurisdiction with the law enforcement agency of the host community on all other policing matters and, in consultation with the board, shall execute a memorandum of understanding with the law enforcement agency of the host community that shall include, but not be limited to, procedures involving: (i) assignment of police officers of the host community to the gaming enforcement unit of the state police; (ii) first responder calls from the gaming establishment; (iii) emergencies occurring within the gaming establishment, including the gaming area; and (iv) criminal investigations involving employees or patrons of the gaming establishment.

Section 26. (a) The board shall have the authority to issue orders requiring persons to cease activity which violates this chapter, a regulation adopted under this chapter or a law related to gaming in the commonwealth. The board may, in its order, require compliance with such terms and conditions as are reasonably necessary to effectuate the purposes of this chapter.

(b) If the board finds, under the procedures established in this section and the regulations adopted under said section 5, that a person is not in compliance with an order issued under this section, it shall assess a civil administrative penalty on such person and the regulations adopted under section 5. The penalty may be assessed whether or not the violation was willful. In determining the amount of the civil penalty, the board shall consider: (i) the nature of the violation; (ii) the length of time the violation occurred; (iii) the risk to the public and to the integrity of gaming operations created by the conduct of the person; (iv) the seriousness of the conduct of the person; (v) any justification or excuse for such conduct by the person; (vi) the prior history of the particular person involved with respect to gaming activity; (vii) any corrective action taken by person to prevent future misconduct; and (viii) other relevant factors.

(c) In addition to collecting any civil penalties recoverable under this chapter or any other general or special law, the board may bring an action in the superior court to restrain, prevent or

1729 enjoin any conduct prohibited by this chapter or to compel action to comply immediately and
1730 fully with an order issued by the bureau. Except in the case of an emergency during which, in the
1731 opinion of the court, immediate abatement of the unlawful conduct is required to protect the
1732 public interest, the court may in its decree fix a reasonable time during which the person
1733 responsible for the unlawful conduct may abate and correct the violation. The expense of the
1734 proceeding shall be recoverable from the subject of the proceeding.

1735 (d) Upon a recommendation from the board, the commission may issue orders to
1736 condition, suspend or revoke a license or permit issued under this chapter.

1737 (e) The board may issue an order to cease and desist any activity if the board finds that a
1738 licensee has engaged in or is about to engage in an act or practice which constitutes a violation of
1739 this chapter or laws of the commonwealth and may take such affirmative action to effectuate the
1740 order. If the board finds that the licensee is engaged in an act or practice that would cause
1741 irreparable harm to the security and integrity of the gaming establishment or the interests of the
1742 commonwealth in ensuring the security and integrity of gaming under this chapter, the board may
1743 issue a temporary suspension of the license.

1744 (f) Any licensee who has been issued a temporary order of suspension by the board shall
1745 be entitled to a hearing before the commission on such suspension within 7 days of the day on
1746 which the order was issued. At the conclusion of the hearing, the commission may issue a final
1747 order to condition, suspend or revoke the license in question.

1748 (g) Any licensee shall have the right to an adjudicatory hearing under chapter 30A on an
1749 order issued by the board.

1750 **Section 27.** (a) The board may assess a civil administrative penalty on a licensee or
1751 registrant who fails to comply with any provision of this chapter or any regulation or order

1752 adopted by the commission; provided, however, that such noncompliance occurred after the board
1753 had given the licensee or registrant written notice of such noncompliance and the time stated in
1754 the notice for coming into compliance had elapsed. The board may assess a civil administrative
1755 penalty on a licensee or registrant without providing written notice of such noncompliance if the
1756 failure to comply: (i) was part of a pattern of noncompliance and not an isolated instance; (ii) was
1757 willful or neglectful and not the result of error; (iii) resulted in a significant breach to the integrity
1758 of the gaming establishment or gaming laws of the commonwealth; and (iv) consisted of failure
1759 to promptly report to the board any knowledge of evidence or circumstances that would cause a
1760 reasonable person to believe that a violation of this chapter had been committed. The civil
1761 administrative penalty shall be in addition to any other civil penalty that may be prescribed by
1762 law.

1763 (b) For the purpose of determining whether such noncompliance was part of a pattern of
1764 noncompliance and not an isolated instance, the board shall consider without limitation the
1765 following: (i) whether the board had previously notified the person of such noncompliance on
1766 more than 1 occasion during the previous month or of any noncompliance similar to the current
1767 noncompliance during the previous 6 months; or (ii) whether the current and previous instances
1768 of noncompliance, considered together, indicate a potential threat to the integrity of the gaming
1769 establishment and gaming in the commonwealth or an interference with the commission's ability
1770 to efficiently and effectively regulate gaming in the commonwealth and enforce any regulation,
1771 license or order. If a licensee or registrant who has received a notice of noncompliance fails to
1772 come into compliance within the time period stated in such notice, the civil administrative penalty
1773 may be assessed by the board upon such licensee or registrant from the date of receipt of such
1774 notice.

1775 (c) Whenever the board seeks to assess a civil administrative penalty on a licensee or
1776 registrant, the board shall cause to be served upon such licensee or registrant, either by service, in

1777 hand, or by certified mail, return receipt requested, a written notice of the board's intent to assess
1778 a civil administrative penalty which shall include:

1779 (i) a concise statement of the alleged act or omission for which the board seeks to
1780 assess the civil administrative penalty;

1781 (ii) each law, regulation, order, license or approval which has not been complied
1782 with as a result of the alleged act or omission;

1783 (iii) the amount which the board seeks to assess as a civil administrative penalty
1784 for each such alleged act or omission;

1785 (iv) a statement of the licensee's or registrant's right to an adjudicatory hearing
1786 on the proposed assessment;

1787 (v) the requirements such licensee or registrant shall comply with to avoid
1788 waiving the licensee's or registrant's right to an adjudicatory hearing; and

1789 (vi) the manner of payment of the penalty if the licensee or registrant elects to
1790 pay the penalty and waive an adjudicatory hearing.

1791 After written notice of noncompliance or intent to assess a civil administrative penalty
1792 has been given, each subsequent day during which such noncompliance occurs or continues shall
1793 constitute a separate offense and may be subject to a separate civil administrative penalty if
1794 reasonable efforts have not been made by the licensee or registrant to promptly come into
1795 compliance.

1796 (d) Whenever the board seeks to assess a civil administrative penalty on a licensee or
1797 registrant, such licensee or registrant shall have the right to an adjudicatory hearing. Chapter 30A

shall apply to adjudicatory hearings under this chapter; provided, however, that if there is a conflict between this chapter and said chapter 30A, this chapter shall govern.

(e) A licensee or registrant shall be deemed to have waived the licensee's or registrant's right to an adjudicatory hearing unless, within 21 days of the date of the board's notice that it seeks to assess a civil administrative penalty, the licensee or registrant files with the board a written statement denying the occurrence of the acts or omissions alleged by the board in such notice or asserting that the amount of the proposed civil administrative penalty is excessive. In an adjudicatory hearing the board shall be required to prove the occurrence of each act or omission alleged by the board by a preponderance of the evidence.

(f) If a licensee or registrant waives the licensee's or registrant's right to an adjudicatory hearing, the proposed civil administrative penalty shall be final immediately upon such waiver. If a civil administrative penalty is assessed at the conclusion of an adjudicatory hearing, the civil administrative penalty shall be final upon the expiration of 30 days if no action for judicial review of the decision is commenced under chapter 30A.

(g) A licensee or registrant who institutes proceedings for judicial review of the final assessment of a civil administrative penalty shall place the full amount of the final assessment in an interest-bearing escrow account in the custody of the clerk or magistrate of the reviewing court. The establishment of such an interest-bearing escrow account shall be a condition precedent to the jurisdiction of the reviewing court unless the party seeking judicial review demonstrates in a preliminary hearing held within 30 days of the filing of the complaint an inability to pay. Upon such a demonstration, the court may grant an extension or waiver of the interest-bearing escrow account or may require, in lieu of such interest-bearing escrow account, the posting of a bond payable directly to the commonwealth in the amount of 125 per cent of the assessed penalty.

1822 (i) If, after judicial review, in a case where the requirement for an escrow account
1823 has been waived, and in cases where a bond has been posted in lieu of such requirement, the court
1824 affirms, in whole or in part, the assessment of a civil administrative penalty the board shall be
1825 paid the amount of the penalty together with interest at the rate set forth in section 6C of chapter
1826 231.

1827 (ii) If, after such review in a case where an interest-bearing escrow account has
1828 been established, the court affirms the assessment of such penalty, in whole or in part, the board
1829 shall be paid the amount of the penalty together with the accumulated interest on the amount of
1830 the penalty in such interest-bearing escrow account.

1831 (iii) If the court sets aside the assessment of a civil administrative penalty in a
1832 case where the amount of such penalty has been deposited in an interest-bearing escrow account,
1833 the licensee or registrant on whom the civil administrative penalty was assessed shall be repaid
1834 the amount so set aside, together with the accumulated interest on the amount deposited.

1835 (h) Each licensee or registrant who fails to pay a civil administrative penalty in a timely
1836 fashion, and each person who issues a bond under this section and who fails to pay to the board in
1837 a timely fashion the required amount, shall be liable to the commonwealth for up to 3 times the
1838 amount of the civil administrative penalty, or the amount of economic benefit realized by the
1839 licensee or registrant as a result of noncompliance, whichever is greater, together with costs, plus
1840 interest from the time the civil administrative penalty became final and attorneys' fees, including
1841 all costs and attorneys' fees incurred directly in the collection of the penalty. The rate of interest
1842 shall be the rate set forth in section 6C of chapter 231.

1843 **Section 28.** (a) Whoever conducts or operates, or permits to be conducted or operated,
1844 any game or gaming device in violation of this chapter or the regulations adopted under this
1845 chapter shall be punished by imprisonment in the state prison for not more than 5 years or

imprisonment in the house of correction for not more than 2½ years, or by a fine not to exceed \$25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed \$100,000.

(b) Whoever employs, or continues to employ, an individual in a position, the duties of which require a license or registration under this chapter, who is not so licensed or registered, shall be punished by imprisonment the house of correction for not more than 6 months, or by a fine not to exceed \$10,000, or both, and in the case of a person other than a natural person, by a fine not to exceed \$100,000.

(c) Whoever works or is employed in a position, the duties of which require licensing or registration under this chapter, without the required license or registration, shall be punished by imprisonment in the house of correction for not more than 6 months or a fine not to exceed \$10,000, or both.

(d) A gaming licensee who, without the permission of the commission: (i) places a game or gaming device into play or displays a game or gaming device in a gaming establishment; or (ii) receives, directly or indirectly, any compensation or reward or any percentage or share of the revenue for keeping, running or carrying on a game, or owning the real property upon, or the location within which any game occurs, shall be punished by imprisonment in the house of correction for not more than 2½ years or by a fine not to exceed \$25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed \$100,000.

(e) Whoever conducts or operates any game or gaming device after the person's gaming license has expired and prior to the actual renewal of the gaming license shall be punished by imprisonment in the house of correction for not more than 1½ years or a fine not to exceed \$25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed \$100,000.

1870 (f) A gaming licensee who knowingly fails to exclude from the licensee's gaming
1871 establishment any person placed by the commission on the list of excluded persons shall be
1872 punished by a fine not to exceed \$5,000 or by imprisonment in the house of correction for not
1873 more than 1 year, or both, and in the case of a person other than a natural person, by a fine not to
1874 exceed \$100,000.

1875 (g) Whoever willfully:

1876 (i) fails to report, pay or truthfully account for and pay over a license fee or tax
1877 imposed by this chapter or by the regulations adopted under this chapter; or

1878 (ii) evades or defeats, or attempts to evade or defeat, a license fee or tax or
1879 payment of a license fee or tax shall be punished by imprisonment in the state prison for not more
1880 than 5 years or in the house of correction for not more than 2½ years or a fine not to exceed
1881 \$100,000, or both, and in the case of a person other than a natural person, by a fine not to exceed
1882 \$5,000,000.

1883 **Section 29.** Whoever willfully resists, prevents, impedes, interferes with, or makes any
1884 false, fictitious or fraudulent statement or representation to the board, bureau, commission or
1885 division or to agents or employees of the board, bureau, commission or division in the
1886 lawful performance of the agent's or employee's duties under this chapter shall be punished by
1887 imprisonment in the state prison for not more than 5 years or in the house of correction for not
1888 more than 2½ years, or by a fine not to exceed \$25,000, or both.

1889 **Section 30.** (a) Whoever, during a game in a gaming establishment, knowingly and by
1890 any trick or sleight of hand performance or by a fraud or fraudulent scheme, cards, dice or other
1891 gaming device, for himself, for another or for a representative of either:

1892 (i) wins, or attempts to win, money or property; or

1893 (ii) reduces, or attempts to reduce, a losing wager in a gaming establishment shall
1894 be guilty of cheating and swindling.

1895 (b) Whoever knowingly uses a cheating and swindling device or game in a gaming
1896 establishment shall be guilty of cheating and swindling.

1897 (c) Whoever commits the offense of cheating and swindling shall be punished as follows:

1898 (i) if the value of the money, property or wager cheated and swindled is \$75,000
1899 or more, by imprisonment in the state prison for not more than 10 years or in the house of
1900 correction for not more than 2½ years or by a fine not to exceed \$1,000,000, or both, and in the
1901 case of a person other than a natural person, by a fine not to exceed \$10,000,000;

1902 (ii) if the value of the money, property or wager cheated and swindled is \$10,000
1903 or more but less than \$75,000, by imprisonment in the state prison for not more than 5 years or in
1904 the house of correction for not more than 2½ years or by a fine not to exceed \$500,000, or both,
1905 and in the case of a person other than a natural person, by a fine not to exceed \$5,000,000;

1906 (iii) if the value of the money, property or wager cheated and swindled is \$1,000
1907 or more but less than \$10,000, by imprisonment in the state prison for not more than 3 years or in
1908 the house of correction for not more than 2½ years or by a fine not to exceed \$100,000, or both,
1909 and in the case of a person other than a natural person, by a fine not to exceed \$1,000,000;

1910 (iv) if nothing of value was obtained in violation of this subsection or if the value
1911 of the money, property or wager cheated and swindled is less than \$1,000, by imprisonment in the
1912 house of correction for not more than 2½ years or by a fine not to exceed \$10,000, or both, and in
1913 the case of a person other than a natural person, by a fine not to exceed \$100,000.

1914 (d) Each episode or transaction of swindling and cheating may be the subject of a
1915 separate prosecution and conviction. In the discretion of the commonwealth, multiple episodes or

1916 transactions of swindling and cheating committed as part of a single scheme or course of conduct
1917 may be treated as a single offense and the amounts involved in acts of swindling and cheating
1918 committed according to a scheme or course of conduct, whether by the same person or several
1919 persons, may be aggregated in determining the value of money, property or wager involved in the
1920 offense.

1921 (e) A gaming licensee, or an employee of a gaming licensee, who, in a gaming
1922 establishment, knowingly:

1923 (i) conducts or operates any game using a cheating and swindling device or
1924 game;

1925 (ii) displays for play a cheating and swindling game; or

1926 (iii) permits to be conducted, operated or displayed, any cheating and swindling
1927 device or game shall be punished by imprisonment in the state prison for not more than 5 years or
1928 imprisonment in the house of correction for not more than 2½ years, or by a fine not to
1929 exceed \$25,000, or both, and in the case of a person other than a natural person, by a fine not to
1930 exceed \$100,000.

1931 **Section 31.** (a) Whoever possesses a cheating and swindling device or game, with the
1932 intent to defraud, cheat or steal, shall be punished by imprisonment in the house of correction for
1933 not more than 2½ years, or by a fine not to exceed \$10,000, or both, and in the case of a person
1934 other than a natural person, by a fine not to exceed \$100,000.

1935 (b) Possession of a cheating and swindling device or game within a gaming establishment
1936 shall constitute prima facie evidence of an intent to defraud, cheat or steal, except possession by a
1937 licensee or an employee of a licensee, acting lawfully in furtherance of such person's

employment within the gaming establishment, shall be punished by imprisonment in the house of correction for not more than 2½ years, or a fine not to exceed \$10,000, or both.

Section 32. Whoever manufactures, distributes, sells or services a gaming device, in violation of this chapter or regulations adopted under this chapter and for the purpose of defrauding, cheating or stealing from a person playing, operating or conducting a game in a gaming establishment, shall be punished by imprisonment in the state prison for not more than 5 years or imprisonment in the house of correction for not more than 2½ years, or by a fine not to exceed \$25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed \$150,000.

Section 33. (a) Any device, game or gaming device possessed, used, manufactured, distributed, sold or serviced in violation of this chapter shall be subject to seizure and forfeiture by the division or bureau. Forfeiture proceedings shall be conducted as provided in subsections (b) to (j), inclusive, of section 47 of chapter 94C. For purposes of subsection (d) of said section 47 of said chapter 94C, the commission shall be considered a police department, entitled to a police department's distribution of forfeiture proceedings.

Section 34. (a) Whoever, being under 21 years old, plays, places wagers at, or collects winnings from, whether personally or through an agent, a game in a gaming establishment shall be punished by imprisonment in the house of correction for not more than 6 months or a fine not to exceed \$1,000, or both.

(b) Whoever, being a gaming licensee or an employee of a gaming licensee, who knowingly allows a person under the age of 21 to play, place wagers at, or collect winnings from a game in a gaming establishment, whether personally or through an agent, shall be punished, for a first offense, by imprisonment in a the house of correction for not more than 1 year or a fine not to exceed \$10,000, or both, and in the case of a person other than a natural person, by a fine not to

1962 exceed \$500,000 and, for a second or subsequent offense, by imprisonment in the house of
1963 correction for not more than 2 years or a fine not to exceed \$50,000, or both, and in the case of a
1964 person other than a natural person, by a fine not to exceed \$1,000,000.

1965 **Section 35.** (a) The board shall, by regulation promulgated under section 5, provide for
1966 the establishment of a list of excluded persons who are to be excluded or ejected from a gaming
1967 establishment. In determining the list of excluded persons, the board may consider, but shall not
1968 be limited to:

1969 (1) whether a person has been convicted of a criminal offense under the laws of
1970 any state or the United States that is punishable by more than 6 months in prison, a crime of
1971 moral turpitude or a violation of the gaming laws of any state;

1972 (2) whether a person has violated or conspired to violate this chapter relating to:

1973 (i) failure to disclose an interest in a gaming establishment for which the
1974 person must obtain a license; or

1975 (ii) willful evasion of fees or taxes;

1976 (3) whether a person has a notorious or unsavory reputation which would
1977 adversely affect public confidence and trust that the gaming industry is free from criminal or
1978 corruptive elements; and

1979 (4) the potential of injurious threat to the interests of the commonwealth in the
1980 gaming establishment.

1981 (b) No person shall be placed on the list of excluded persons due to race, color, religion,
1982 national origin, ancestry, sexual orientation, disability or sex.

1983 (c) The board may revoke, limit, condition, suspend or fine a gaming establishment if
1984 such establishment knowingly fails to exclude or eject from its premises any person placed by the
1985 commission on the list of excluded persons.

1986 (d) Whenever the board places a name on the list of excluded persons, the board shall
1987 serve written notice upon that person by personal service, registered or certified mail return
1988 receipt requested to the last ascertainable address, or by publication in a daily newspaper of
1989 general circulation for 1 week.

1990 (e)(1) Within 30 days of receipt of service by mail or 60 days after the last publication
1991 under subsection (d), a person placed on the list of excluded persons may request an adjudicatory
1992 hearing before the commission under chapter 30A and show cause as to why the person should be
1993 removed from the list of excluded persons. Failure to demand a hearing within the time allotted in
1994 this section shall preclude the person from having an administrative hearing, but in no way affect
1995 the person's right to petition for judicial review.

1996 (2) Upon receipt of a demand for hearing, the commission shall set a time and
1997 place for the hearing. This hearing shall be held not later than 30 days after receipt of the demand
1998 for the hearing, unless the time of the hearing is changed by agreement of the commission and the
1999 person demanding the hearing.

2000 (3) If, upon completion of the hearing, the commission determines that the person
2001 was wrongfully placed on the list of excluded persons, the commission shall remove the person's
2002 name from the list of excluded persons and notify all gaming licensees. A person aggrieved by a
2003 final decision of the commission in an adjudicatory proceeding under this section may petition for
2004 judicial review under section 14 of chapter 30A.

2005 (f) The board shall establish a list of self-excluded persons from gaming establishments.
2006 A person may request such person's name to be placed on the list of self-excluded persons by

2007 filing a statement with the board acknowledging that the person is a problem gambler and by
2008 agreeing that, during any period of voluntary exclusion, the person may not collect any winnings
2009 or recover any losses resulting from any gaming activity at a gaming establishment. The
2010 commission shall adopt further regulations, under section 5, for the self-excluded persons list
2011 including procedures for placement, removal and transmittal of such list to gaming
2012 establishments.

2013 (g) Gaming establishments shall not market to persons on the excluded persons list and
2014 shall deny access to complimentaries, check cashing privileges, club programs and other similar
2015 benefits to persons on the self-excluded persons list.

2016 (h) Notwithstanding any other law to the contrary, the self-excluded persons list shall not
2017 be open to public inspection. Nothing in this section, however, shall prohibit a gaming
2018 establishment from disclosing the identity of persons on the self-excluded persons list under this
2019 section to affiliated gaming establishments in this commonwealth or other jurisdictions for the
2020 limited purpose of assisting in the proper administration of responsible gaming programs operated
2021 by affiliated gaming establishments.

2022 (i) As used in this subsection the following words shall, unless the context clearly
2023 requires otherwise, have the following meanings:-

2024 (i) "Problem gambler", a person who chronically or habitually gambles to the
2025 extent that: (1) such gambling substantially interferes with the person's social or
2026 economic functioning; or (2) the person has lost the power of self-control over such
2027 person's gambling.

2028 (ii) "Relative", the father or mother of an individual; a stepfather, stepmother,
2029 stepbrother, stepsister or any blood relative of an individual, including those of the half

2030 blood, except cousins who are more distantly related than first cousins; an adoptive
2031 relative of equal propinquity to the foregoing; or a spouse of any such persons.

2032 A police officer, physician, spouse, relative, guardian or court official may petition, in
2033 writing, a district court for an order of exclusion from gaming establishments applicable to a
2034 person whom the petitioner has reason to believe is a problem gambler. Upon receipt of a petition
2035 for an order of exclusion of a person and any sworn statements the court may request from the
2036 petitioner, the court shall immediately schedule a hearing on the petition and shall cause a
2037 summons and a copy of the petition to be served upon the person as provided by section 25 of
2038 chapter 276. The person may be represented by legal counsel and may present independent
2039 expert or other testimony. The court shall order examination by a qualified psychologist.

2040 If, after a hearing, the court based upon competent testimony finds that said person is a
2041 problem gambler and there is a likelihood of serious harm as a result of the person's gambling,
2042 the court may order that such person be prohibited from gaming in gaming establishments. The
2043 court shall communicate this order to the board, which shall place the person's name on the list of
2044 excluded persons.

2045 (j) A person who is prohibited from gaming in a gaming establishment under this section
2046 shall not collect any winnings or recover losses arising as a result of prohibited gaming.
2047 Winnings obtained by a person who is prohibited from gaming in a gaming establishment shall be
2048 forfeited to the board.

2049 (k) A person who enters the premises of a gaming establishment after having been placed
2050 on the list of excluded persons, without first having obtained a determination by the commission
2051 that such person should not have been placed on the list of excluded persons, shall be punished by
2052 imprisonment in a jail or house of correction for not more than 2½ years or by a fine of not more
2053 than \$10,000, or both.

(l) The board shall pursue an interstate compact for the purposes of sharing information regarding the excluded persons list.

Section 36. A gaming establishment offering a cashless wagering system shall allow individuals to monitor and impose betting limits on their cashless wagering. The gaming establishment shall allow individuals to set betting limits on their cashless wagering including, but not limited to, per bet limits, hourly limits, daily limits, weekly limits and monthly limits. An individual may lower limits and increase limits; provided, that, the player shall not increase betting limits more than once in a 24 hour period. Upon request by an individual, the gaming establishment shall provide to that individual a statement of that individual's cashless wagering activity for any given time period including total bets, wins and losses. Activity under this section shall be monitored by the board. Individuals on the list of excluded persons or list of self-excluded persons shall not be permitted to participate in a cashless wagering system.

Section 37. A liability to the commonwealth under this chapter shall constitute a debt to the commonwealth. Once a statement naming a licensee is recorded, registered or filed, any such debt shall constitute a lien on all commercial property owned by a gaming licensee in the commonwealth and shall have priority over an encumbrance recorded, registered or filed with respect to any site.

Section 38. (a) Prior to disbursement of cash or prizes in excess of \$600, a licensee shall review information made available by the IV-D agency, as set forth in chapter 119A and by the department of revenue to ascertain whether the winner of the cash or prize owes past due child support to the commonwealth or to an individual to whom the IV-D agency is providing services, and to ascertain whether the winner of the cash or prize owes any past due tax liability to the commonwealth.

2077 (b) If the winner of the cash or prize owes past due child support or a past due tax
2078 liability, the licensee shall notify the IV-D agency or the commonwealth, respectively, of the
2079 winner's name, address and social security number. Subsequent to statutory and federal tax
2080 withholding, the licensee shall first disburse to the IV-D agency the full amount of the cash or
2081 prize or such portion of the cash or prize that satisfies the winner's past due child support
2082 obligation.

2083 (c) If funds remain available after the disbursement to the IV-D agency, or if no such
2084 obligation to the IV-D agency is owed, the licensee shall disburse to the department of revenue
2085 the full amount of the cash or prize or such portion of the cash or prize that satisfies the winner's
2086 past due tax liability.

2087 (d) The licensee shall disburse to the winner only that portion of the cash or prize, if any,
2088 remaining after the winner's past due child support obligation and the winner's past due tax
2089 liability have been satisfied.

2090 **Section 39.** Gaming licensees shall, on a monthly basis, transmit to the department of
2091 transitional assistance and to the IV-D agency, as set forth in chapter 119A, a list of all persons
2092 who were awarded cash winnings, or a prize, valued in excess of \$600.00 in the prior month. The
2093 information shall be provided in a format which is compatible with the automated data processing
2094 systems of said department and said agency, to ensure the immediate identification of persons
2095 who may be receiving public assistance benefits. The information provided shall include the
2096 name, address and social security number of the person who was awarded the cash or prize
2097 valued in excess of \$600.00.

2098 **Section 40.** Unclaimed cash and prizes shall be retained by the gaming licensee for the
2099 person entitled to the cash or prize for 1 year after a game in which the cash or prize was won. If
2100 no claim is made for the cash or prize within 1 year, the cash or equivalent cash value of the prize
2101 shall be deposited with the board.

2102 **Section 41.** If the person entitled to cash or a prize is under the age of 21 years, said cash
2103 or prize shall be remitted to the board.

2104 **Section 42.** A gaming establishment, including a business located within such
2105 establishment, shall not be a certified project within the meaning of section 3F of chapter 23A;
2106 shall not be designated an economic opportunity area within the meaning of section 3E of chapter
2107 23A; shall not be eligible for tax increment financing as set forth in section 59 of chapter 40 or
2108 special tax assessments set forth in section 3E of chapter 23A; shall not be classified and taxed as
2109 recreational land under chapter 61B; and shall not be designated as a development district within
2110 the meaning of chapter 40Q.

2111 Unless otherwise provided, a gaming establishment or a business located or to be located
2112 within such establishment shall not be eligible for the following credits or deductions listed in
2113 chapter 62 or chapter 63: the investment tax credit under section 31A of chapter 63, the
2114 employment credit under section 31C of chapter 63, the shuttle van credit under section 31E of
2115 chapter 63, the deduction for expenditures for industrial waste treatment or air pollution control
2116 under section 38D of chapter 63, the deduction for compensation paid to an eligible business
2117 facility's employees domiciled in a section of substantial poverty under section 38F of chapter 63,
2118 the alternative energy sources deduction under section 38H of chapter 63, the research expense
2119 credit under section 38M of chapter 63, the economic opportunity area credit under subsection (g)
2120 of section 6 of chapter 62 and section 38N of chapter 63, the abandoned building deduction under
2121 paragraph (10) of subsection (a) of Part B of section 3 of chapter 62 and section 38O of chapter
2122 63, the harbor maintenance tax credit under section 38P of chapter 63, the film tax credit under
2123 subsection (I) of section 6 of chapter 62 and section 38X of chapter 63, the environmental
2124 response action tax credit under subsection (j) of section 6 of chapter 62 and section 38Q of
2125 chapter 63, the historic rehabilitation tax credit under section 6J of chapter 62 and section 38R of

2126 chapter 63 or the automatic sprinkler system depreciation deduction under section 38S of chapter
2127 63.

2128 **Section 43.** The board shall audit as often as the board determines necessary, but not less
2129 than annually, the accounts, programs, activities and functions of all licensees. To conduct the
2130 audit, the authorized officers and employees of the board shall have access to such accounts at
2131 reasonable times and the board may require the production of books, documents, vouchers and
2132 other records relating to a matter within the scope of such audit. The superior court shall have
2133 jurisdiction to enforce the production of records that the board requires to be produced under this
2134 section and the court shall order the production of all such records within the scope of any such
2135 audit. All such audits shall be conducted in accordance with generally accepted auditing standards
2136 established by the American Institute of Certified Public Accountants. In any audit report of the
2137 accounts, funds, programs, activities and functions of a licensee issued by the board, containing
2138 adverse or critical audit results, the board may require a response, in writing, to the audit results.
2139 The response shall be forwarded to the board within 15 days of notification by the board.

2140 On or before April 1 of each year, the board shall submit a report to the clerks of the
2141 house of representatives and the senate who shall forward the report to the house and senate
2142 committees on ways and means which shall include, but not be limited to: (i) the number of audits
2143 performed under this section; (ii) a summary of findings under the audits; and (iii) the cost of
2144 each audit.

2145 **Section 44.** Unless the board otherwise determines it to be in the best fiscal interests of
2146 the commonwealth, the board shall utilize the services of 1 or more independent testing
2147 laboratories that are registered to perform the testing of gaming equipment and slot machines and
2148 may also utilize any additional services or applicable data from 1 or more independent testing
2149 laboratories.

2150 The board shall develop standards to register independent testing laboratories to perform
2151 the testing of gaming equipment and slot machines. Each said independent testing laboratory
2152 shall, at a minimum, meet the requirements of sections 11 and 14, shall not be owned or
2153 controlled by, or have any interest in, a gaming licensee, a gaming vendor or slot machine
2154 manufacturer and shall provide such information as the board may require in order to qualify for
2155 registration.

2156 **Section 45.** Live entertainment in an entertainment venue in the gaming establishment
2157 with more than 1,000 seats shall require approval by the board. A gaming establishment shall
2158 submit information regarding a planned performance for live entertainment in an entertainment
2159 venue in the gaming establishment with more than 1,000 seats to the board not less than 3 months
2160 prior to the performance. The board shall submit this information to the subcommittee on cultural
2161 facilities as established in subsection (b) of section 46 for a recommendation on whether to
2162 approve or deny the performance. The subcommittee may also make recommendations as to
2163 whether the performance should be approved under certain conditions, which may include, but
2164 not be limited to, a contract term requiring the live entertainment performer to perform another
2165 show in the commonwealth, not at a gaming establishment, within 6 months of performing at the
2166 gaming establishment. If the board deviates from the subcommittee's recommendation, the board
2167 shall state its reasons for doing so in writing.

2168 **Section 46.** (a) There shall be a gaming policy advisory committee consisting of 14
2169 members: 1 of whom shall be the governor, or the governor's designee, who shall serve as chair;
2170 1 of whom shall be the chair of the commission; 1 of whom shall be the chair of the board; 1 of
2171 whom shall be the senate president or the president's designee; 1 of whom shall be the speaker of
2172 the house of representatives or the speaker's designee; 1 of whom shall be the commissioner of
2173 public health or the commissioner's designee; and 7 of whom shall be appointed by the governor,
2174 3 of whom shall be representatives of gaming licensees, 1 of whom shall be a representative of a

2175 federally recognized Native American tribe in the commonwealth, 1 of whom shall be a
2176 representative of organized labor who shall be selected from a list of 3 names proposed by the
2177 president of the Massachusetts AFL-CIO and 3 of whom shall be appointed from the vicinity of
2178 each gaming establishment, as defined by host community and surrounding community, upon
2179 determination of the licensee and site location by the commission. The committee shall designate
2180 subcommittees to examine community mitigation, compulsive gambling and gaming impacts on
2181 cultural and tourism. Members of the committee shall serve for 2 year terms. The committee shall
2182 meet at least once annually for the purpose of discussing matters of gaming policy. The
2183 recommendations of the committee concerning gaming policy made under this section are
2184 advisory and shall not be binding on the commission and board.

2185 (b) There shall be a subcommittee on cultural facilities under the gaming policy advisory
2186 committee consisting of 5 members: 1 of whom shall be a representative of the Massachusetts
2187 performing arts center coalition; 1 of whom shall be a representative from the Massachusetts
2188 cultural council; 1 of whom shall be a representative of the board; and 2 of whom shall be
2189 appointed by the governor, 1 of whom shall have professional experience in the gaming
2190 entertainment booking industry and 1 of whom shall be a representative of organized labor who
2191 shall be selected from a list of 3 names proposed by the president of the Massachusetts AFL-CIO.
2192 The subcommittee shall develop recommendations for regulations to be developed by the board
2193 to address cultural mitigation including, but not limited to, the relationship between gaming
2194 entertainment venues and currently existing performing arts centers in the commonwealth and
2195 standards for granting waivers of the requirements in section 45.

2196 (c) There shall be a subcommittee on community mitigation under the gaming policy
2197 advisory committee consisting of 7 members: 1 of whom shall be appointed from the host
2198 community in region 1; 1 of whom shall be appointed from the host community in region 2; 1 of
2199 whom shall be appointed from the host community in region 3; 1 of whom shall be a

representative from the department of revenue's division of local services; 1 of whom shall be a representative of the board; 1 of whom shall be appointed by the governor and have professional experience in community mitigation related to gaming; and 1 of whom shall be a representative from the Massachusetts municipal association. The subcommittee shall develop regulations to be considered by the board to address issues of community mitigation as a result of the development of gaming establishments in the commonwealth, including, but not limited to: how funds may be expended from the Community Mitigation Fund, the impact of gaming establishments on the host community as well as surrounding communities including, but not limited to, the impact on local resources as a result of new housing construction and potential necessary changes to affordable housing laws, increased education costs and curriculum changes due to population changes in the region, development and maintenance of infrastructure related to increased population and utilization in the region and public safety impacts resulting from the facility and how to address that impact. The subcommittee shall receive input from local community mitigation advisory committees. The subcommittee shall review annually the expenditure of funds from the Community Mitigation Fund and make recommendations to the board relative to appropriate and necessary use of community mitigation funds. The subcommittee shall submit updated regulations relating to community mitigation annually to the gaming policy advisory committee and the board. The board shall promulgate such regulations as advised by the subcommittee.

(d) There shall be a subcommittee on addiction services under the gaming policy advisory committee consisting of 5 members: 1 of whom shall be a representative from the department of public health's bureau of substance abuse services; 1 of whom shall be a representative from the Massachusetts Council on Compulsive Gambling, Inc.; 1 of whom shall be a representative of the board; and 2 of whom shall be appointed by the governor with professional experience in the area of gambling addictions. The subcommittee shall develop recommendations for regulations to be developed by the board to address issues related to

2225 addiction services as a result of the development of gaming establishments in the commonwealth,
2226 including by not limited to, prevention and intervention strategies.

2227 (e) There shall be a subcommittee on public safety under the gaming policy advisory
2228 committee consisting of 7 members: 1 of whom shall be a member of the board; 1 of whom shall
2229 be the secretary of the executive office of public safety or the secretary's designee; 1 of whom
2230 shall be the attorney general or the attorney general's designee; 1 of whom shall be a
2231 representative from the Massachusetts District Attorneys Association; 1 of whom shall be the
2232 colonel of the state police or the colonel's designee; 1 of whom shall be a representative from the
2233 Massachusetts Chiefs of Police Association; and 1 of whom shall be a representative of a public
2234 safety labor union. The subcommittee shall develop recommendations for regulations to be
2235 developed by the board to address public safety issues as a result of the development of gaming
2236 establishments in the commonwealth, including but not limited to, how to mitigate the impact of
2237 gaming establishments on crimes committed in the commonwealth. The subcommittee shall also
2238 study the impact of gaming establishments on all aspects of public safety in the commonwealth.

2239 (f) Each region, as defined in section 17, may establish a local community mitigation
2240 advisory committee, which shall include not fewer than 6 members: 1 of whom shall be appointed
2241 by each of the host and surrounding communities; 1 of whom shall be appointed by each regional
2242 planning agency to which at least 1 of the host or surrounding communities belongs; and 4 of
2243 whom shall be appointed by the board, of whom at least 1 shall represent a chamber of
2244 commerce in the region, 1 shall represent a regional economic development organization in the
2245 region, and 2 shall represent human service providers in the region. Each local committee shall
2246 annually elect a chair and such other officers as it deems necessary to carry out its duties.

2247 Each local committee may provide information and develop recommendations for the
2248 subcommittee on community mitigation on any issues related to the gaming establishment located

in its region including, but not limited to: issues of community mitigation; how funds may be expended from the community mitigation fund; and the impact of the gaming establishments on the host and surrounding communities. Additionally, each local committee may present information to the commission or board, consistent with the rules of the commission or board, on any issues related to the gaming establishment located in its region.

Section 47. As used in sections 48 to 56, inclusive, the following words shall have the following meanings, unless the context clearly requires otherwise:-

“Compensation”, any money, thing of value or economic benefit conferred on or received by any employee of the gaming industry in return for services rendered or to be rendered by the employee or another.

“Gaming official”, a person who is employed, temporarily or permanently, by an entity licensed under this chapter, including, but not limited to, key gaming employees and other employees, agents, consultants and advisors.

“Gaming entity”, a person or business that is licensed under this chapter.

“Official act”, a decision, action or inaction within the official capacity of the gaming official as a gaming official.

“Official responsibility”, the direct administrative or operating authority, whether intermediate or final, either exercisable alone or with others, and whether personal or through subordinates, to approve, disapprove or otherwise direct gaming-related action.

“Participate”, engaging in gaming-related action personally and substantially as an official, through approval, disapproval, decision, recommendation, the rendering of advice, investigation or otherwise.

2271 **Section 48.** No person shall directly or indirectly, corruptly give, offer or promise
2272 anything of value to a gaming official, or offer or promise any such official to give anything of
2273 value to any other person or entity, with intent to:

2274 (1) influence an official act or an act within the official responsibility of the gaming
2275 official; or

2276 (2) influence the gaming official to commit or aid in committing, or collude in, or allow,
2277 any fraud or make opportunity for the commission of a fraud on the commonwealth, a state,
2278 county or municipal agency or any person or business entity doing business with a gaming entity;
2279 or

2280 (3) induce a gaming official to do or omit to do any act in violation of the official's
2281 lawful duty.

2282 A violation of this section shall be punished by a fine of not more than \$10,000, or by
2283 imprisonment in the state prison for not more than 10 years, or in a jail or house of correction for
2284 not more than 2 1/2 years, or both.

2285 **Section 49.** (a) No person shall, other than as provided by law for the proper discharge of
2286 official duty, directly or indirectly, give, offer or promise anything of substantial value to a
2287 gaming official:

2288 (i) for or because of an official act performed or to be performed by such a
2289 gaming official; or

2290 (ii) to influence, or attempt to influence, an official action of a gaming entity.

2291 A violation of this section shall be punished by a fine of not more than \$10,000, or by
2292 imprisonment in the state prison for not more than 10 years, or in a jail or house of correction for
2293 not more than 2 1/2 years, or both.

2294 (b) No present or former gaming official shall, other than as provided by law for the
2295 proper discharge of official duty, directly or indirectly, ask, demand, exact, solicit, seek, accept,
2296 receive or agree to receive anything of substantial value:

2297 (i) for the gaming official, for or because of any official act or act within the
2298 gaming official's official responsibility performed or to be performed by the gaming official; or

2299 (ii) to influence, or attempt to influence, the gaming official in an official act
2300 taken.

2301 A violation of this section shall be punished by a fine of not more than \$10,000, or by
2302 imprisonment in the state prison for not more than 10 years, or in a jail or house of correction for
2303 not more than 2 1/2 years, or both.

2304 (c) Nothing in this section shall be construed to prohibit the awarding of gratuities in
2305 compliance with an official gratuity policy established by the gaming establishment, the board or
2306 the commission.

2307 **Section 50.** (a) Except as permitted by subsection (b), no board member shall participate
2308 as such a member in a particular matter in which to the member's knowledge, the member's
2309 immediate family or partner, a business organization in which the member is serving as officer,
2310 director, trustee, partner or employee or any person or organization with whom the member is
2311 negotiating or has any arrangement concerning prospective employment, has a financial interest.

2312 A violation of this section shall be punished by a fine of not more than \$25,000, or by
2313 imprisonment in the state prison for not more than 10 years, or in a jail or house of correction for
2314 not more than 2 1/2 years, or both.

2315 (b) A board member whose duties would otherwise require such member to participate in
2316 such a particular matter shall advise the commission of the nature and circumstances of the
2317 particular matter and shall make a full disclosure of such financial interest, and the commission
2318 shall thereupon either:

2319 (1) require that the member not participate in the particular matter; or

2320 (2) make a written determination that the interest is not so substantial as to be
2321 deemed likely to affect the integrity of the board, in which case it shall not be a violation for the
2322 member to participate in the particular matter. Copies of such written determination shall be
2323 forwarded to the member and filed with the commission. Such copy shall be retained by the
2324 commission for a period of 6 years and shall be a public record.

2325 **Section 51.** No commissioner or board member shall be eligible for a position under the
2326 supervision of the commission or board until the expiration of 30 days from the termination of the
2327 commissioner's or member's service as a commissioner or board member.

2328 **Section 52.** (a) In addition to other remedies provided by law, a violation of sections 48
2329 to 51, inclusive, which has substantially influenced the action taken by a gaming entity in a
2330 particular matter, shall be grounds for avoiding, rescinding or canceling the action on such terms
2331 as the interests of an innocent third person requires.

2332 (b) In addition to the remedies set forth in subsection (a), the commission, upon a finding
2333 pursuant to an adjudicatory proceeding that a person has acted to the person's economic
2334 advantage in violation of sections 48 to 51, inclusive, may issue an order: (1) requiring the

2335 violator to pay the board in the amount of the economic advantage or \$500, whichever is greater;
2336 and (2) requiring the violator to make restitution to an injured third party. If there has been no
2337 final criminal judgment of conviction or acquittal of the same violation, upon receipt of the
2338 written approval of the attorney general, the commission may order payment of additional
2339 damages in an amount not exceeding twice the amount of the economic advantage or \$500,
2340 whichever is greater.

2341 (c) The remedies authorized by this section shall be in addition to any civil penalty
2342 imposed by the commission.

2343 **Section 53.** The commission shall designate a gaming ombudsmen, who shall be
2344 available to advise gaming officials of the officials' responsibilities under this chapter. A gaming
2345 official shall be entitled to the opinion of the gaming ombudsmen upon any question arising
2346 under this chapter relating to the duties, responsibilities and interests of such official.

2347 **Section 54.** All disclosures and certifications required by this chapter shall be made in
2348 writing and, unless otherwise specifically provided in this chapter, shall be kept open by the
2349 commission to inspection by the public.

2350 **Section 55.** The board shall prepare, and update as necessary, summaries of sections 47
2351 to 54, inclusive, for gaming officials which the board shall publish on its official website. Every
2352 gaming official shall, within 30 days of becoming such an official, and on an annual basis
2353 thereafter, be furnished with a summary of said sections prepared by the board, sign a written
2354 acknowledgment that the gaming official has been provided with such a summary and undergo
2355 training explaining the requirements of this chapter. The board shall establish procedures for
2356 implementing this section and ensuring compliance.

2357 **Section 56.** No gaming establishment, or its agents or employees shall employ, contract
2358 with, or use any skill or barker to induce any person to enter a gaming establishment or play at
2359 any game or for any purpose.

2360 A violation of this section shall be punishable by a fine of \$5,000 or by imprisonment in
2361 the state prison for not more than 5 years, or in a jail or house of correction for not more than 2
2362 1/2 years, or both.

2363 **Section 57.** (a) No gaming official shall, except in the normal course of the official's
2364 duties, wager in the gaming establishment in which such official is employed.

2365 (b) No gaming official shall, except in the normal course of the official's duties, wager in
2366 an establishment which is owned or operated by the same licensee who owns or operates the
2367 gaming establishment for which the official is employed.

2368 **Section 58.** A gaming official, not including key gaming employees and employees
2369 holding major policy-making positions, who, in the judgment of the commission, is not directly
2370 involved with the conduct of gaming operations, shall wait at least 30 days following the date that
2371 the gaming official either leaves or is terminated from employment with a gaming establishment
2372 before the gaming official may gamble in the gaming establishment in which the gaming official
2373 was formerly employed or in any other gaming establishment which is owned or operated by the
2374 same licensee.

2375 **Section 59.** No key gaming employee or gaming control employee, or any other gaming
2376 official who serves in a supervisory position shall solicit or accept, any tip or gratuity from any
2377 player or patron in the gaming establishment where the employee is employed.

2378 **Section 60.** The board shall report monthly to the governor, the attorney general, the
2379 senate and house committees on ways and means and the chairs of the joint committee on revenue

the total gaming revenues, prize disbursements and other expenses for the preceding month and shall make an annual report to the same recipients which shall include a full and complete statement of gaming revenues, prize disbursements and other expenses, including such recommendations as the board considers necessary or advisable. The board shall report immediately to the governor, the attorney general, the senate and house committees on ways and means and the chairs of the joint committee on revenue any matter which requires immediate changes in the laws of the commonwealth in order to prevent abuses or evasions of the laws, rules or regulations related to gaming or to rectify undesirable conditions in connection with the administration or operation of gaming in the commonwealth.

Section 61. The commission shall annually submit a complete and detailed report of the commission's activities within 90 days after the end of the fiscal year to the clerk of the house of representatives, the clerk of the senate, the chairs of the joint committee on economic development and emerging technologies and the chairs of the house and senate committees on ways and means.

Section 62. There is hereby established and placed upon the books of the board a Gaming Licensing Fund which shall consist of all licensing fees collected from licensees and any proceeds from the investment of such fees. The board shall be the trustee of the fund and shall not allow the fund to carry a negative balance.

Section 63. (a) A licensee shall pay a daily tax of 25 per cent on gross gaming revenues; provided that, taxes imposed under this section shall be remitted to the board by a licensee the day following each day of wagering.

(b) The board shall remit the revenues received to the commonwealth on a daily basis and shall be deposited into the Gaming Revenue Fund, established in section 64.

2403 **Section 64.** (a) There is hereby established and placed upon the books of the board a
2404 Gaming Revenue Fund which shall consist of all revenues collected from the tax on gross gaming
2405 revenue received from gaming licensees under section 63 and any proceeds from the investment
2406 of such revenues. The board shall be the trustee of the fund.

2407 (b) A transfer under this section shall be made under a transfer schedule to be developed
2408 by the comptroller and the board for each item after consulting with the appropriate agency
2409 secretary, the secretary of administration and finance and the state treasurer. The schedule shall
2410 provide for transfers in increments considered appropriate to meet the cash flow needs of each
2411 fund and all transfers under the schedule shall be completed annually not later than June 30.

2412 (c) The board shall transfer 1 percent of the collected revenues to the Property Taxpayers
2413 Relief Fund created in section 2DDDD of chapter 29 and then, from such remaining amount shall
2414 transfer 10 per cent of collected revenues to the Gaming Mitigation Trust Fund, created in section
2415 65 and remit the remaining 90 per cent of collected revenues to the comptroller. The comptroller
2416 may make all necessary transfers among funds to ensure that monies in the fund are transferred as
2417 follows:-

2418 (i) one-third of the amount remitted to the General Fund, subject to appropriation,
2419 shall be used for debt reduction through a program of debt defeasance and accelerated debt
2420 payments; provided, that, this program shall be developed jointly by the state treasurer and the
2421 secretary of administration and finance and shall be implemented in compliance with state
2422 finance law; provided, further, that this program shall prioritize the reduction of risk in the
2423 commonwealth's debt portfolio; provided further, that the state secretary and state treasurer shall
2424 provide a written description of the program to the finance advisory board established in section
2425 97 of chapter 6 for the board's review and comment before the program is implemented and shall
2426 file a copy of that description with the house and senate committees on ways and means and the

2427 house and senate committees on bonding, capital expenditures and state assets when it is
2428 submitted to the finance advisory board;

2429 (ii) one-third of the amount remitted to the State Lottery and Gaming Fund,
2430 created in section 35 of chapter 10; provided, that, the total transfer to the State Lottery and
2431 Gaming Fund shall not exceed \$150,000,000 in any fiscal year; and provided, further, that any
2432 amount in excess of \$150,000,000 shall be transferred to the Local Aid Stabilization Fund,
2433 created in section 2BBBB of chapter 29;

2434 (iii) one third of the amount remitted to the Gaming Economic Development
2435 Fund, created in section 2CCCC of chapter 29.

2436 **Section 65.** (a) There is hereby established and set up on the books of the board a fund to
2437 be known as the Gaming Mitigation Trust Fund. The Gaming Mitigation Trust Fund shall consist
2438 of monies transferred from the Gaming Revenue Fund and all other monies credited or transferred
2439 to the fund from any other fund or source and proceeds from the investment of such funds. The
2440 board shall be the trustee of the fund.

2441 (b) The board shall administer the Gaming Mitigation Trust Fund and shall expend
2442 monies in the fund to address the impacts of expanded gaming in the commonwealth as follows:

2443 (1) Thirty-five per cent of fund revenues in a fiscal year shall be expended for
2444 community mitigation including, but not limited to, the areas of local and regional education,
2445 transportation, infrastructure, housing, environmental issues and public safety, including police,
2446 fire, and emergency services, in impacted communities, that may include host and surrounding
2447 communities;

2448 (2) Thirty-five per cent of fund revenues in a fiscal year shall be expended for
2449 social mitigation including, but not limited to, problem gambling prevention, intervention and
2450 treatment services, substance abuse services and gaming-related research;

2451 (3) Twenty per cent of fund revenues in a fiscal year shall be expended for
2452 cultural mitigation including, but not limited to, assistance to not-for-profit or municipally-owned
2453 performing arts centers; and

2454 (4) Ten per cent of fund revenues in a fiscal year shall be expended for racetrack
2455 mitigation including, but not limited to, developing programs to improve the purses offered at live
2456 racing venues, the horse breeding industry, programs to promote the live horse racing industry
2457 and other existing programs that provide health, medical, food, substance abuse treatment and
2458 other social services for horse racing industry employees.

2459 **Section 66.** All political contributions or contributions in kind made by an applicant for a
2460 gaming license to any municipal employee, as defined in section 1 of chapter 268A, of the host
2461 community of the applicant's proposed gaming establishment shall be disclosed, by the applicant,
2462 to the board and the city or town clerk of the host community. Such disclosure shall be made by
2463 the applicant bi-annually, on or before July 15 for the period covering January 1 through June 30
2464 of that year and on or before January 15 for the period covering July 1 through December 31 of
2465 the preceding year. The office of campaign and political finance shall promulgate regulations to
2466 provide for timely and expeditious public reporting, which shall include electronic means or
2467 public posting in a city or town hall and post office, by city and town clerks of the contribution
2468 disclosures they receive from applicants.

2469 **Section 67.** Any licensee who fails to begin gaming operations within 1 year after the
2470 date specified in its application timeline shall be subject to revocation of said license by the
2471 board, and may, after being found by the board subsequent to a hearing to have acted in bad faith

2472 in its application, be assessed a fine, collectible by the board and to be deposited in the General
2473 Fund, of not less than \$100,000,000.

2474 **Section 68.** The board shall report annually to the governor, the chairs of the senate and
2475 house committees on ways and means and the chairs of the joint committee on tourism, arts and
2476 cultural development regarding the effects of gaming establishments on tourism in the
2477 commonwealth, including, but not limited to how gaming establishments have enhanced the
2478 commonwealth's position as a tourism venue.

2479 **Section 69.** (a) Any vendor who operates an ATM machine on the premise of a gaming
2480 establishment shall be prohibited from selling or sharing any information about patrons using the
2481 machine with any party.

2482 (b) Licensees shall be prohibited from using information about patrons' usage of ATM
2483 machines including, but not limited to, the identity of the patron, the address of the patron, the
2484 amounts withdrawn from the ATM machine and the dates or times the machines are used, for
2485 marketing purposes.

2486 **SECTION 14.** Section 62 of chapter 23K of the General Laws is hereby repealed.

2487 **SECTION 15.** Section 1 of chapter 29 of the General Laws, as appearing in the 2008
2488 Official Edition, is hereby amended by striking out the definition of "State authority," and
2489 inserting in place thereof the following definition:-

2490 "State authority" a body politic and corporate constituted as a public instrumentality of
2491 the commonwealth and established by an act of the General Court to serve an essential
2492 governmental function; provided, however that "state authority" shall not include: (1) a state
2493 agency; (2) a city or town; (3) a body controlled by a city or town; or (4) a separate body politic

2494 where the governing body is elected, in whole or in part, by the general public or by
2495 representatives of member cities or towns.

2496 **SECTION 16.** Chapter 29 of the General Laws is hereby amended by inserting after
2497 section 2AAAA the following 3 sections:

2498 **Section 2BBBB.** There shall be established and set up on the books of the
2499 commonwealth a separate fund to be known as the Local Aid Stabilization Fund. The Local Aid
2500 Stabilization Fund shall consist of monies transferred from the Gaming Revenue Fund,
2501 established in section 64 of chapter 23K, to the fund, all other monies credited or transferred from
2502 any other fund or source and proceeds from the investment of such funds. Subject to
2503 appropriation, the fund shall be distributed to cities and towns as a supplement to other sources of
2504 local aid distributions, but shall not be subject to section 5C of chapter 29.

2505 **Section 2CCCC.** There shall be established and set up on the books of the
2506 commonwealth a separate fund to be known as the Gaming Economic Development Fund. The
2507 fund shall be credited with revenues transferred to it from the Gaming Revenue Fund, established
2508 in section 64 of chapter 23K. Amounts credited to the fund shall be expended, subject to
2509 appropriation, to support economic development and job growth in the commonwealth including,
2510 but not limited to: (1) workforce training, including transfers to the Workforce Competitiveness
2511 Trust Fund; (2) tourism promotion, including regional tourism promotion agencies and cultural
2512 and recreational attraction promotion; (3) summer jobs; (4) the Massachusetts Marketing
2513 Partnership; (5) higher education scholarships; (6) regional economic development initiatives; (7)
2514 support for small businesses, including small business lending; (8) green jobs promotion; (9)
2515 science, technology, engineering and mathematics career pipeline initiatives; and (10) agricultural
2516 development programs, including youth agricultural education.

2517 **Section 2DDDD.** There shall be established and set up on the books of the
2518 commonwealth a separate fund to be known as the Property Taxpayers Relief Fund. The fund
2519 shall be credited with revenues transferred to it from the Gaming Revenue Fund established under
2520 section 64 of section 13 of chapter 23K. Monies in such fund shall be made available as grants to
2521 municipalities for local senior citizen property tax relief programs. The secretary of elder affairs
2522 shall distribute such grant funds on a non-competitive formula basis only to municipalities with
2523 local senior citizen property tax programs based on a fiscal year cycle. The secretary of elder
2524 affairs in conjunction with the department of revenue shall establish policies and procedures
2525 relating to such grant funding to include the grant formula; award and distribution of grant
2526 funding; and application and certification by a municipality seeking funding for such local senior
2527 programs. For each fiscal year, all grants shall be distributed to qualifying municipalities by April
2528 15 prior to the beginning of the fiscal year for which such grant was awarded.

2529 **SECTION 17.** Section 38 of said chapter 29, as appearing in the 2008 Official Edition, is
2530 hereby amended by striking out in lines 115 to 116, the words “State Lottery Fund, as established
2531 and defined in section thirty-five of chapter ten” and inserting in place thereof the following
2532 words:- State Lottery and Gaming Fund established in section 35 of chapter 10.

2533 **SECTION 18.** Said section 38 of said chapter 29, as so appearing, is hereby further
2534 amended by striking out, in lines 127 to 128, the words “the said State Lottery Fund” and
2535 inserting in place thereof the following words:- said State Lottery and Gaming Fund.

2536 **SECTION 19.** Section 1 of chapter 32 of the General Laws, as so appearing, is hereby
2537 amended by inserting after the word “connector”, in line 211, the following words:- , the
2538 Massachusetts gaming commission, the Massachusetts gaming control board.

2539 **SECTION 20.** Section 2 of chapter 32A of the General Laws, as so appearing, is hereby
2540 amended by inserting after the word “authority”, in line 12, the following words:- , the
2541 Massachusetts gaming commission, the Massachusetts gaming control board.

2542 **SECTION 21.** Section 94 of chapter 41 of the General Laws, as so appearing, is hereby
2543 amended by inserting after the word “and”, in line 7, the first time it appears, the following word:
2544 illegal.

2545 **SECTION 21A.** Section 7A of chapter 55 of the General Laws, as so appearing, is
2546 hereby amended by adding the following subsection:-

2547 (c) The aggregate of all contributions by a person who holds a valid license issued by the
2548 Massachusetts gaming commission, who was required to apply for that license under section 10
2549 of chapter 23K, for the benefit of any 1 candidate and such candidate’s committee shall not
2550 exceed \$200 in any 1 calendar year. The aggregate of all contributions by a person who holds a
2551 valid license issued by the Massachusetts gaming commission, who was required to apply for that
2552 license under section 10 of chapter 23K, for the benefit of any other political committee, other
2553 than a ballot question committee, shall not exceed \$200 in any 1 calendar year.

2554 **SECTION 22.** Section 18C of said chapter 58, as so appearing, is hereby amended by
2555 inserting after the word “Lottery”, in line 6, the following words:- and Gaming.

2556 **SECTION 23.** Section 18D of chapter 58 of the General Laws is hereby repealed.

2557 **SECTION 24.** Section 5A of chapter 62 of the General Laws, as appearing in the 2008
2558 Official Edition, is hereby amended by inserting after the word “commonwealth”, in line 24, the
2559 following words:- ,including gaming winnings acquired at or through a gaming establishment
2560 under chapter 23K.

2561 **SECTION 25.** The seventh paragraph of section 2 of chapter 62B of the General Laws,
2562 as so appearing, is hereby amended by striking out the first 2 sentences and inserting in place
2563 thereof the following 2 sentences:-

2564 Every person, including the United States, the commonwealth or any other state, or any
2565 political subdivision or instrumentality of the foregoing, making any payment of lottery or
2566 gaming winnings, acquired at or through a gaming establishment under chapter 23K, which are
2567 subject to taxation under chapter 62 and which are subject to withholding under section 3402(q)
2568 of the Internal Revenue Code shall deduct and withhold from such payment an amount equal to 5
2569 per cent of such payment, except that such withholding for purposes of this chapter shall apply to
2570 payments of winnings of \$600 or greater notwithstanding any contrary provisions of the Internal
2571 Revenue Code; provided, however that the exception contained in subsection (q)(5) and (r) of the
2572 Internal Revenue Code shall not apply to winnings under this section. For purposes of this
2573 chapter and chapter 62C, such payment of winnings shall be treated as if it were wages paid by an
2574 employer to an employee.

2575 **SECTION 26.** Said chapter 62B is hereby further amended by striking out section 5, as
2576 so appearing, and inserting in place thereof the following section:-

2577 Section 5. Every employer required to deduct and withhold from an employee or payee a
2578 tax under section 2, or who would have been required under said section in the case of an
2579 employee to deduct and withhold a tax if the employee had not claimed any personal exemption
2580 or dependency exemptions, shall furnish to each such employee or payee in respect of the wages
2581 or other payments paid by such employer to such employee or payee during the calendar year, on
2582 or before January 31 of the succeeding year, or, if an employee's employment is terminated
2583 before the close of such calendar year, within 30 days from the day on which the last payment of
2584 wages is made, a written statement in duplicate showing the name of the employer, the name of

the employee or payee and the employee or payee's social security account number, if any, the total amount of wages or other amounts subject to taxation under chapter 62 and the total amount deducted and withheld as tax. This statement may contain such other information as the commissioner may prescribe. The commissioner may grant reasonable extensions of time, not exceeding 60 days, for the furnishing of the statement.

Every employer who fails to withhold or pay to the commissioner any sums required by this chapter to be withheld or paid shall be personally and individually liable for such sums to the commonwealth. The term "employer" as used in this section and in section 11, shall include any person or entity required to withhold tax from any payee and shall include an officer or employee of a corporation, or a member or employee of a partnership or limited liability company, who as such officer, employee or member is under a duty to withhold and pay over taxes under this section and section 2. Any sum withheld under section 2 shall be considered to be held in trust for the commonwealth.

If an employer in violation of this chapter fails to withhold the tax under section 2, and thereafter the tax against which such tax may be credited, under section 9, is paid, the tax so required to be withheld shall not be collected from the employer; but this paragraph shall in no case relieve the employer from liability for any penalties or addition to the tax otherwise applicable in respect of such failure to withhold.

SECTION 27. The first paragraph of section 8 of chapter 62C of the General Laws, as so appearing, is hereby amended by striking out the last sentence and inserting in place thereof the following sentence:- The same basis of reporting shall be utilized for income that is subject to taxation or withholding under chapter 62 or 62B but is not subject to taxation or withholding under the Code.

SECTION 28. Subsection (f) of section 38 of chapter 63 of the General Laws, as so appearing, is hereby amended by striking out the third paragraph and inserting in place thereof the following paragraph:-

For the purposes of this subsection: (1) in the case of the licensing of intangible property, the income-producing activity shall be considered to be performed in the commonwealth to the extent that the intangible property is used in the commonwealth; (2) the corporation shall be considered to be taxable in the state of the purchaser if the tangible personal property is delivered or shipped to a purchaser in a foreign country; (3) sales of tangible personal property to the United States government or an agency or instrumentality of the United States for purposes of resale to a foreign government or an agency or instrumentality of a foreign government shall not be sales made in the commonwealth; (4) in the case of the sale, exchange or other disposition of a capital asset, as defined in paragraph (m) of section 1 of chapter 62, used in a taxpayer's trade or business, including a deemed sale or exchange of such asset, "sales" shall be measured by the gain from the transaction; (5) "security" shall mean an interest or instrument commonly treated as a security as well as other instruments which are customarily sold in the open market or on a recognized exchange including, but not limited to, transferable shares of a beneficial interest in a corporation or other entity, bonds, debentures, notes and other evidences of indebtedness, accounts receivable and notes receivable, cash and cash equivalents including foreign currencies and repurchase and futures contracts; (6) in the case of a sale or deemed sale of a business, the term "sales" shall not include receipts from the sale of the business "good will" or similar intangible value, including, without limitation, "going concern value" and "workforce in place"; (7) to the extent authorized under the life sciences tax incentive program established by section 5 of chapter 23I, a certified life sciences company may be deemed a research and development corporation for purposes of exemptions under chapters 64H and 64I; and (8) in the case of a business deriving receipts from operating a gaming establishment or otherwise deriving receipts

from conducting a wagering business or activity, income-producing activity shall be considered to be performed in the commonwealth to the extent that the location of wagering transactions or activity that generated the receipts is in the commonwealth.

SECTION 29. Section 2 of chapter 70 of the General Laws, as so appearing, is hereby amended by inserting after the word “Lottery”, in line 355, the following words:- and Gaming.

SECTION 29A. Section 2 of chapter 128 of the General Laws, as so appearing, is hereby amended by striking out, in line 99, the words “or dog”.

SECTION 30. Said section 2 of said chapter 128 of the General Laws, as so appearing, is hereby further amended by striking out subsection (i).

SECTION 31. Section 1 of chapter 128A of the General Laws, as so appearing, is hereby amended by striking out, in line 6, the words “state racing commission” and inserting in place thereof the following words:- Massachusetts gaming commission established in chapter 23K.

SECTION 32. Section 1 of chapter 128C of the General Laws, as so appearing, is hereby amended by striking out, in line 12, the words “state racing commission” and inserting in place thereof the following words:- gaming commission established in chapter 23K.

SECTION 33. Section 1 of chapter 137 of the General Laws, as so appearing, is hereby amended by inserting after the word “gaming”, in line 2, the following words:- , except for gaming conducted in gaming establishments under chapter 23K.

SECTION 34. Section 2 of said chapter 137, as so appearing, is hereby amended by inserting after the word “building”, in line 1, the following words:- , except for an owner or operator of a gaming establishment licensed under chapter 23K.

2676 regularly engaged in the issuing, selling or redeeming of traveler's checks, money orders or
2677 similar instruments; (8) broker or dealer in securities or commodities; (9) licensed transmitter of
2678 funds or other person or business regularly engaged in the transmission of funds to a foreign
2679 nation for others; (10) investment banker or investment company; (11) insurer; (12) dealer in
2680 precious metals, stones or jewels; (13) pawnbroker or scrap metal dealer; (14) telegraph or other
2681 communications company; (15) personal property or real estate broker; (16) dealer in vehicles
2682 including, but not limited to, automobiles, aircraft and vessels; (17) operator of a betting or
2683 gaming establishment; (18) travel agent; (19) thrift institution; (20) operator of a credit card
2684 system; or (21) loan or finance company.

2685 “Monetary instrument”, the currency and coin of the United States or any foreign
2686 country; any bank check, money order, stock, investment security, or negotiable instrument in
2687 bearer form or otherwise in such form that title passes upon delivery; gold, silver or platinum
2688 bullion or coins; diamonds, emeralds, rubies, or sapphires; any negotiable instrument including:
2689 bank checks, cashier's checks, traveler's checks, or monetary orders made payable to the order of
2690 a named party that have not been endorsed or which bear restrictive endorsements; poker chips,
2691 vouchers or other tokens exchangeable for cash by gaming entities; and credit cards, debit cards,
2692 gift cards, gift certificates or scrips.

2693 “Transaction”, a purchase, sale, loan, pledge, gift, transfer, delivery, or other disposition,
2694 and with respect to a financial institution including, but not limited to, a deposit, withdrawal,
2695 bailment, transfer between accounts, exchange of currency, loan, extension of credit, purchase or
2696 sale of any stock, bond, certificate of deposit, or other monetary instrument, use of a safe deposit
2697 box, or any other payment, transfer, or delivery by, through, or to a financial institution, by
2698 whatever means effected.

2699 Section 2. Whoever knowingly:

2700 (1) transports or possesses a monetary instrument or other property that was derived from
2701 criminal activity with the intent to promote, carry on or facilitate criminal activity;

2702 (2) engages in a transaction involving a monetary instrument or other property known to
2703 be derived from criminal activity:

2704 (i) with the intent to promote, carry on or facilitate criminal activity; or

2705 (ii) knowing that the transaction is designed in whole or in part either to: (A)
2706 conceal or disguise the nature, location, source, ownership or control of the property derived from
2707 criminal activity; or (B) avoid a transaction reporting requirement of this chapter, of the United
2708 States, or of any other state; or

2709 (3) directs, organizes, finances, plans, manages, supervises or controls the transportation
2710 of, or transactions in, monetary instruments or other property known to be derived from criminal
2711 activity or which a reasonable person would believe to be derived from criminal activity;

2712 shall be guilty of the crime of money laundering and shall be punished by imprisonment in the
2713 state prison for not more than 6 years or by a fine of not more than \$250,000 or twice the value of
2714 the property transacted, whichever is greater, or by both such imprisonment and fine; and for any
2715 subsequent offense shall be punished by imprisonment in the state prison for not less than 2 years,
2716 but not more than 8 years or by a fine of not more than \$500,000 or 3 times the value of the
2717 property transacted, whichever is greater, or by both such imprisonment and fine.

2718 Section 3. (a) A financial institution shall file with the attorney general a copy of any and
2719 all reports required by the Currency and Foreign Transactions Act, set forth in 31 U.S.C., sections
2720 5311 through 5315, 31 C.F.R. 103.

2721 (b) A financial institution, or any officer, employee, or agent of a financial institution that
2722 maintains and files a record or report under this section shall not be liable to its customer, to a

2723 state or local agency, or to any person for any loss or damage caused in whole or in part by the
2724 making, filing or governmental use of the record or report, or any information contained in the
2725 record or report. Nothing in this chapter shall be construed to give rise to a private cause of action
2726 for relief or damages. This subsection shall not preclude a financial institution, in its discretion,
2727 from instituting contact with, and then communicating with and disclosing customer financial
2728 records to appropriate federal, state or local law enforcement agencies if the financial institution
2729 has reason to suspect that the records or information demonstrate that the customer has violated
2730 this chapter.

2731 (c) Any report, record or information obtained by the attorney general under this section
2732 shall not be a public record under clause Twenty-sixth of section 7 of chapter 4 or section 10 of
2733 chapter 66 and shall not be subject to disclosure, except to other state and federal law
2734 enforcement agencies.

2735 (d) Any violation of this section, which is not a violation of section 2, shall be punished
2736 by a fine of \$100 for each report not filed.

2737 (e) The timely filing of complete and accurate reports required under subsection (a) with
2738 the appropriate federal agency shall constitute compliance with the requirements of subsection
2739 (a).

2740 Section 4. All monetary instruments or other property, real, intellectual or personal,
2741 obtained directly as a result of a violation of section 2 of this chapter, shall be subject to forfeiture
2742 to the commonwealth. Forfeiture proceedings shall be conducted as provided in subsections (b)
2743 to (j), inclusive of section 47 of chapter 94C. For purposes of subsection (d) of said section 47 of
2744 said chapter 94C, the investigation and enforcement bureau of the gaming control board shall be
2745 considered a police department, entitled to a police department's distribution of forfeiture
2746 proceedings.

2747 SECTION 38A. Section 6 of chapter 268B, as appearing in section 95 of chapter 28 of
2748 the acts of 2009, is hereby amended by adding the following paragraph:-

2749 “For the purposes of this section, any person who holds a license issued by the
2750 Massachusetts gaming commission, who was required to apply for that license under section 10
2751 of chapter 23K, shall be considered a legislative agent.

2752 **SECTION 40.** Section 1 of chapter 271 of the General Laws, as so appearing, is hereby
2753 amended by inserting after the word “gaming”, in lines 3 and 4, the following words:- , except as
2754 permitted under chapter 23K.

2755 **SECTION 41.** Section 2 of said chapter 271, as so appearing, is hereby amended by
2756 inserting after the words “playing”, in line 4, the following words:- , except as permitted under
2757 chapter 23K.

2758 **SECTION 42.** Section 3 of said chapter 271, as so appearing, is hereby amended by
2759 inserting after the words “gaming”, in line 3, the following words:- , except as permitted under
2760 chapter 23K.

2761 **SECTION 43.** Section 5 of said chapter 271, as so appearing, is hereby amended by
2762 inserting after the words “thing,” in line 7, the following words:- except as permitted under
2763 chapter 23K.

2764 **SECTION 44.** The second paragraph of section 5A of said chapter 271, as so appearing,
2765 is hereby amended by adding the following sentence:- This section shall not apply to persons who
2766 manufacture, transport, sell, offer for sale, store, display, repair, recondition, possess or use any
2767 gambling device or parts for use in such a device for licensed gaming conducted under chapter
2768 23K.

2769 **SECTION 45.** Section 6 of said chapter 271, as so appearing, is hereby amended by
2770 striking out, in lines 3 and 4, the words “gambling or unlawful game” and inserting in place
2771 thereof the words:- illegal gaming.

2772 **SECTION 46.** Section 7 of said chapter 271, as so appearing, is hereby amended by
2773 inserting after the word “device”, in line 7, the first time it appears, the following words:- that is
2774 not taking place in a gaming establishment licensed under chapter 23K.

2775 **SECTION 47.** Said chapter 271 is hereby further amended by striking out section 8, as
2776 so appearing, and inserting in place thereof the following section:

2777 Section 8. Whoever owns, occupies, or is in control of a house, shop or building and
2778 knowingly permits the establishing, managing or drawing of such lottery, or such disposal or
2779 attempt to dispose of property, or the sale of a lottery ticket or share of a ticket, or any other
2780 writing, certificate, bill, token or other device purporting or intended to entitle the holder, bearer
2781 or any other person to a prize or to a share of or interest in a prize to be drawn in a lottery, or in
2782 such disposal or property and whoever knowingly suffers money or other property to be raffled
2783 for or won by throwing or using dice or by any other game of chance that is not being conducted
2784 in a licensed gaming establishment under chapter 23K, shall be punished by a fine of not more
2785 than \$2000 or by imprisonment in a jail or house of correction for not more than 1 year.

2786 **SECTION 48.** Section 14 of said chapter 271, as so appearing, is hereby further
2787 amended by inserting after the word “ by”, in line 3, the first time it appears, the following
2788 words:- illegal gaming, including games of.

2789 **SECTION 48A.** Section 16A of said chapter 271, as so appearing, is hereby amended by
2790 inserting after the word “wagerers”, in line 14, the following words: - or to persons who organize,
2791 supervise, manage, or finance persons for the purpose of gaming conducted under chapter 23K.

2792 **SECTION 49.** Section 17 of said chapter 271, as so appearing, is hereby amended by
2793 adding the following sentence:- This section shall not apply to persons who organize, supervise,
2794 manage or finance persons for the purpose of licensed gaming conducted under chapter 23K.

2795 **SECTION 50.** Section 19 of said chapter 271, as so appearing, is hereby amended by
2796 adding the following words:- ; provided, however, that this section shall not apply to advertising
2797 of licensed gaming conducted under chapter 23K.

2798 **SECTION 51.** Section 20 of said chapter 271, as so appearing, is hereby amended by
2799 adding the following sentence:- Nothing in this section shall prohibit a gaming establishment
2800 licensed under chapter 23K from posting or exposing materials relevant to its gaming operations.

2801 **SECTION 52.** Section 22 of said chapter 271, as so appearing, is hereby amended by
2802 adding the following words:- or any receipt, carriage or delivery by a gaming establishment
2803 licensed under chapter 23K.

2804 **SECTION 53.** Section 23 of said chapter 271, as so appearing, is hereby amended by
2805 striking out the last sentence and inserting in place thereof the following sentence:- Chapter 276
2806 relative to the disposal of gaming articles seized upon search warrants shall apply to all articles
2807 and property seized under this section; provided, however, that such disposal shall not apply to
2808 licensed gaming conducted under chapter 23K.

2809 **SECTION 54.** Section 28 of said chapter 271, as so appearing, is hereby amended by
2810 inserting after the word “of”, in line 3, the third time it appears, the following word:- illegal.

2811 **SECTION 55.** Section 31 of said chapter 271, as so appearing, is hereby amended by
2812 striking out in lines 3 and 4 the words “thereto by section fourteen of chapter one hundred and
2813 eighty” and inserting in place thereof the following words:- to conduct such trials or gaming
2814 establishments licensed under chapter 23K.

2838 procurement fraud; false claims; tax evasion; filing false tax returns; or any conduct defined as a
2839 racketeering activity under Title 18, U.S.C. s. 1961(1)(A)(B) and (D).

2840 “Enterprise”, an entity including any individual, sole proprietorship, partnership,
2841 corporation, association, trust or other legal entity and any unchartered union or group of persons
2842 associated in fact although not a legally recognized entity.

2843 “Gaming establishment”, an establishment licensed under chapter 23K.

2844 “Pattern of criminal enterprise activity”, engaging in at least 3 incidents of criminal
2845 enterprise activity that have the same or similar pattern, intents, results, accomplices, victims or
2846 methods of commission, or are otherwise interrelated by distinguishing characteristics and are not
2847 isolated incidents; provided, however, that at least 1 of the incidents occurred after the effective
2848 date of this chapter, and the last incident occurred within 5 years of another incident of criminal
2849 enterprise activity.

2850 “Unlawful debt”, a debt (i) which was incurred or contracted in an illegal gambling
2851 activity or business or (ii) which is unenforceable under state or federal law in whole or part as to
2852 principal or interest because of the law relating to usury.

2853 Section 2. Whoever knowingly: (1) through a pattern of criminal enterprise activity or
2854 through the collection of an unlawful debt acquires or maintains, directly or indirectly, an interest
2855 in or control of an enterprise which is engaged in, or the activities of which affect, licensed
2856 gaming under chapter 23K or ancillary industries which do business with a gaming establishment;
2857 (2) having received proceeds derived, directly or indirectly, from a pattern of criminal enterprise
2858 activity or through the collection of an unlawful debt, uses or invests, directly or indirectly, part
2859 of the proceeds including proceeds derived from the investment, in the acquisition of an interest
2860 in real property to be used in connection with licensed gaming, or in the establishment or

operation of, an enterprise which is engaged in, or the activities of which affect, licensed gaming operations or ancillary industries which do business with a gaming establishment; (3) is employed by or associated with an enterprise to conduct or participate, directly or indirectly, in the conduct of the enterprise's affairs or activities which affect licensed gaming operations or ancillary industries which do business with a gaming establishment by engaging in a pattern of criminal enterprise activity or through the collection of an unlawful debt; or (4) conspires or attempts to violate subsections (1), (2), or (3) of this section; shall be guilty of enterprise crime and shall be punished by imprisonment in the state prison for not more than 15 years or by a fine of not more than \$25,000, or by both such imprisonment and fine.

Nothing in this chapter shall prohibit the purchase of securities on the open market for purposes of investment made without the intention of controlling or participating in the control of the issuer, or of assisting another to do so, if the securities of the issuer held by the (i) purchaser; (ii) members of the purchaser's immediate family; and (iii) the purchaser's accomplices in any pattern of criminal activity or the collection of an unlawful debt after such purchase do not amount, in the aggregate, to 1 per cent of the outstanding securities of any 1 class and do not confer, either in law or in fact, the power to elect 1 or more directors of the issuer.

Section 3. All monetary proceeds or other property, real, intellectual or personal, obtained directly as a result of a violation of this chapter, shall be subject to seizure and forfeiture to the commonwealth. Forfeiture proceedings shall be conducted as provided in subsections (b) to (j), inclusive of section 47 of chapter 94C. For purposes of subsection (d) of said section 47 of said chapter 94C, the investigation and enforcement bureau of the gaming control board shall be considered a police department, entitled to a police department's distribution of forfeiture proceedings.

2884 **SECTION 57.** Section 39 of chapter 272 of the General Laws, as appearing in the 2008
2885 Official Edition, is hereby amended by inserting after the word “in”, in line 7, the following
2886 word:- illegal.

2887 **SECTION 58.** Section 99 of said chapter 272, as so appearing, is hereby amended by
2888 striking out, in lines 68 to 69, the words:- section seventeen of chapter two hundred and seventy
2889 one of.

2890 **SECTION 59.** Said section 99 of said chapter 272, as so appearing, is hereby further
2891 amended by inserting after the word “perjury”, in line 72, the following words:- , enterprise
2892 crime, money laundering.

2893 **SECTION 59A.** The first paragraph of section 12A of chapter 494 of the acts of 1978 is
2894 hereby amended by striking out the words “and until July 31, 2010”, inserted by section 1 of
2895 chapter 167 of the acts of 2009, and inserting in place thereof the following words:- and until
2896 July 31, 2012

2897 **SECTION 59B.** The last paragraph of said section 12A of said chapter 494 is hereby
2898 amended by striking out the words “July 31, 2010”, inserted by section 2 of said chapter 167, and
2899 inserting in place thereof the following words:- July 31, 2012.

2900 **SECTION 59C.** The introductory paragraph of section 13 of said chapter 494 is hereby
2901 amended by striking out the words “and until July 31, 2010”, inserted by section 3 of said chapter
2902 167, and inserting in place thereof the following words:- and until July 31, 2012.

2903 **SECTION 59D.** Section 15 of said chapter 494 is hereby amended by striking out the
2904 words “and until July 31, 2010”, inserted by section 4 of said chapter 167, and inserting in place
2905 thereof the following words:- and until July 31, 2012.

2906 **SECTION 59E.** The first paragraph of section 9 of chapter 277 of the acts of 1986 is
2907 hereby amended by striking out the words “and until July 31, 2010”, inserted by section 5 of said
2908 chapter 167, and inserting in place thereof the following words:- and until July 31, 2012.

2909 **SECTION 59F.** The first sentence of the first paragraph of section 3 of chapter 114 of
2910 the acts of 1991 is hereby amended by striking out the words “and until July 31, 2010”, inserted
2911 by section 6 of said chapter 167, and inserting in place thereof the following words:- and until
2912 July 31, 2012.

2913 **SECTION 59G.** The last paragraph of said section 3 of said chapter 114 is hereby
2914 amended by striking out the words “July 31, 2010”, inserted by section 7 of said chapter 167, and
2915 inserting in place thereof the following words:- July 31, 2012.

2916 **SECTION 59H.** The first paragraph of section 4 of said chapter 114 is hereby amended
2917 by striking out the words “and until July 31, 2010”, inserted by section 8 of said chapter 167, and
2918 inserting in place thereof the following words:- and until July 31, 2012.

2919 **SECTION 59I.** The last paragraph of said section 4 of said chapter 114 is hereby
2920 amended by striking out the words “July 31, 2010”, inserted by section 9 of said chapter 167, and
2921 inserting in place thereof the following words:- July 31, 2012.

2922 **SECTION 59J.** The first paragraph of section 5 of said chapter 114 is hereby amended
2923 by striking out the words “and until July 31, 2010”, inserted by section 10 of said chapter 167,
2924 and inserting in place thereof the following words:- and until July 31, 2012.

2925 **SECTION 59K.** Section 13 of chapter 101 of the acts of 1992 is hereby amended by
2926 striking out the words “July 31, 2010”, inserted by section 11 of said chapter 167, and inserting in
2927 place thereof the following words:- July 31, 2012.

2928 **SECTION 59L.** Section 45 of chapter 139 of the acts of 2001 is hereby amended by
2929 striking out the words “July 31, 2010”, inserted by section 12 of said chapter 167, and inserting in
2930 place thereof the following words:- July 31, 2012.

2931 **SECTION 59M.** Section 20 of chapter 449 of the acts of 2006 is hereby amended by
2932 striking out the words “July 31, 2010”, inserted by section 13 of said chapter 167, and inserting in
2933 place thereof the following words:- July 31, 2012.

2934 **SECTION 59N.** Section 24 of chapter 167 of the acts of 2009 is hereby amended by
2935 striking out the words “July 31, 2010” and inserting in place thereof the following words:- July
2936 31, 2012.

2937 **SECTION 59O.** Notwithstanding section 2 of chapter 128A of the General Laws and
2938 sections 1, 2 and 2A of chapter 128C of the General Laws or any other general or special law or
2939 rule or regulation to the contrary, the greyhound meeting licensee located in Bristol county and
2940 the greyhound meeting licensee located in Suffolk county licensed to conduct live racing pursuant
2941 to said chapter 128A and simulcast wagering pursuant to said chapter 128C in calendar year
2942 2009, shall remain licensed as greyhound racing meeting licensees until July 31, 2012; provided,
2943 however, that the days between January 1, 2010 and July 31, 2012 shall be dark days under said
2944 chapter 128C and the licensees shall continue to be precluded from conducting live racing during
2945 that period and as provided in chapter 388 of the acts of 2008; provided further, that all simulcasts
2946 shall comply with the Interstate Horse Racing Act of 1978, 15 U.S.C. Sec. 3001 et seq. or other
2947 applicable federal law; provided further, that all simulcasts from states which have racing
2948 associations that do not require approval in compliance with the Interstate Horse Racing Act of
2949 1978, 15 U.S.C. Sec. 3004 (a) (1) (A), except simulcasts during the month of August, shall
2950 require the approval of the New England Horsemen's Benevolent and Protective Association prior
2951 to being simulcast to a racing meeting licensee within the commonwealth; and provided further,

that if the association agrees to approve the simulcast for 1 racing meeting licensee, it shall approve the simulcast for all otherwise eligible racing meeting licensees.

SECTION 59P. Notwithstanding any general or special law or rule or regulation to the contrary, there shall be a Racing Stabilization Fund that shall be administered by the undersecretary for consumer affairs and business regulation within the executive office of housing and economic development. The fund shall consist of all revenues dedicated pursuant to sections 16 to 23, inclusive, of chapter 167 of the acts of 2009. In fiscal year 2010, and each fiscal year thereafter the undersecretary shall transfer from the fund an amount not less than \$300,000 to the department of public health for a compulsive gamblers' treatment program. In fiscal year 2010, and each fiscal year thereafter, not more than \$300,000 may be expended to assist efforts to secure alternative employment and retraining opportunities for displaced workers impacted by the passage of chapter 388 of the acts of 2008. The state racing commission, or a successor agency, shall report to the undersecretary, the executive office for administration and finance and the house and senate committees on ways and means not later than the last day of each month, of the projected program revenue, program expenses and operating costs associated with overseeing simulcasting through July 31, 2012 . In the event of a deficit, the undersecretary may transfer from the fund an amount not to exceed \$100,000 for the operating costs of the commission. Any balance in the fund at the end of the fiscal year shall not revert to the General Fund; provided, however, that the undersecretary shall distribute to owners and lessees of greyhound dogs who have raced in calendar year 2009 for the humane care, maintenance and adoption of those greyhound dogs, a sum equal to 1 per cent of the total amount wagered at each racing meeting licensee within the commonwealth acting as a guest track and simulcasting a live greyhound race from a host track from outside the commonwealth provided, however, that before any such amount is distributed, the undersecretary shall develop a method and criteria by which to distribute such funds in an equitable manner among dog owners. The undersecretary shall

2977 distribute to kennel owners who housed greyhound dogs who have raced in calendar year 2009
2978 for the humane care, maintenance and adoption of those greyhound dogs, a sum equal to 1.5 per
2979 cent of the total amount wagered at each racing meeting licensee within the commonwealth acting
2980 as a guest track and simulcasting a live greyhound race from a host track from outside
2981 commonwealth; provided, however, that before any amount is distributed, the undersecretary
2982 shall develop a method and criteria by which to distribute such funds in an equitable manner
2983 among kennel owners; and provided further, the undersecretary shall begin payments to kennel
2984 owners in January 2010. Such payments shall be paid on a biweekly basis beginning on January
2985 4, 2010.

2986 **SECTION 59Q.** Notwithstanding any general or special law to the contrary, the
2987 greyhound meeting licensee located in Bristol county and the greyhound meeting licensee located
2988 in Suffolk county shall report monthly to the state racing commission, or a successor agency, on
2989 their net and gross revenue, including an itemization of premiums received, fees received and any
2990 amounts dedicated to purse accounts, the Greyhound Capital Improvements Trust Fund and the
2991 Greyhound Promotional Trust Fund. The report shall include the number of part-time and full-
2992 time staff employed by the licensees at the close of the previous month. The report shall also
2993 include the total amount of premiums paid to the harness horse meeting licensees located in
2994 Norfolk county and the running horse meeting licensee located in Suffolk county. Failure to file
2995 the report on the tenth day of each month shall be cause for suspension of the greyhound meeting
2996 license. The state racing commission, or a successor agency, shall forward all such reports to the
2997 house and senate committees on ways and means, the joint committee on economic development
2998 and emerging technologies and the joint committee on labor and workforce development. The
2999 greyhound meeting licensee located in Bristol county and the greyhound meeting licensee located
3000 in Suffolk county shall also prepare a report of all funds received and disbursed for calendar years
3001 2008, 2009, 2010 and 2011; provided, however, that the report for calendar years 2008 and 2009
3002 shall be filed with the state racing commission, or a successor agency, not later than June 30,
3003 2010, the report for calendar year 2010 shall be filed not later than April 1, 2011, and the report
3004 for calendar year 2011 shall be filed not later than April 1, 2012. The state racing commission
3005 shall forward the reports to the house and senate committees on ways and means, the joint

3006 committee on economic development and emerging technologies and the joint committee on
3007 labor and workforce development.

3008 **SECTION 59R.** The state racing commission shall study the distribution of funds under
3009 section 59P and examine and analyze the monthly reports and the annual report submitted by
3010 greyhound meeting licensees under section 59Q. The commission shall report to the house and
3011 senate committees on ways and means, the joint committee on economic development and
3012 emerging technologies and the joint committee on labor and workforce development not later
3013 than January 1, 2011 on the extent to which current and displaced workers of greyhound meeting
3014 licensees have been assisted with retaining and alternative employment; the number of workers so
3015 assisted; the number of owners and lessees of dogs and the number of kennel owners that have
3016 been assisted with funds distributed from the fund, the number of dogs previously in the care of
3017 such recipients that have been adopted since January 1, 2010 and the number of dogs currently in
3018 the care of or owned or leased by such recipients. The report shall include an evaluation of the
3019 effectiveness of the Racing Stabilization Fund and legislative recommendations for maintaining
3020 the continued economic viability of the greyhound licensees.

3021 **SECTION 59S.** The undersecretary may expend funds from the Racing Stabilization
3022 Fund established in section 59P for the relief of economic hardship experienced by greyhound
3023 meeting licensees. The undersecretary shall develop a method and criteria by which a greyhound
3024 meeting licensee may request funds in order to retain jobs and avoid the displacement of
3025 employees.

3026 **SECTION 60.** Section 13 of chapter 494 of the acts of 1978, as most recently amended
3027 by section 2 of chapter 114 of the acts of 1991, is hereby amended by striking out clause (c).

3028 **SECTION 61.** Clause (d) of said section 13 of said chapter 494, as appearing in said
3029 section 2 of said chapter 114, is hereby amended by striking out, in line 21, the words “(b) or (c)”
3030 and inserting in place thereof the following words:- and (b).

3031 **SECTION 62.** Said section 13 of said chapter 494, as most recently amended by said
3032 section 2 of said chapter 114, is hereby further amended by striking out subsection (f).

3033 **SECTION 62A.** The second paragraph of section 2 of chapter 266 of the acts of 2002 is
3034 hereby amended by striking out the first sentence and inserting in place thereof the following
3035 sentence:- The Fall River Redevelopment Authority may develop the land for commercial,
3036 industrial and other economic development purposes, but expressly excluding any use of the land
3037 for landfill related purposes, without the necessity of adopting or adhering to an urban renewal
3038 plan, as defined in section 1 of chapter 121B of the General Laws, and with respect to the land the
3039 Fall River Redevelopment Authority shall enjoy the statutory authority it would possess for land
3040 and structures and other property within an urban renewal project as defined by section 1 of said
3041 chapter 121B.

3042 **SECTION 62B.** Section 7 of said chapter 266 is hereby repealed.

3043 **SECTION 63.** Under section 2 of chapter 1194, 64 Stat. 1134, 15 U.S.C. 1171-1177,
3044 approved January 2, 1951, the commonwealth, acting by and through duly elected and qualified
3045 members of the general court, does declare and proclaim that the commonwealth shall be exempt
3046 from the provisions of chapter 1194, 64 Stat. 1134, 15 U.S.C. 1171 to 1178 for any gambling
3047 device authorized for use and transport under chapter 23K of the General Laws and any
3048 regulations promulgated under that chapter.

3049 **SECTION 64.** All shipments of gambling devices into the commonwealth, including slot
3050 machines, the registering, recording and labeling of which has been duly had by the manufacturer
3051 of dealer of such gambling device in accordance with sections 3 and 4 of an Act of Congress of
3052 the United States entitled “An act to prohibit transportation of gambling devices in interstate and
3053 foreign commerce,” approved January 2, 1951, being chapter 1194, 64 Stat. 1134, and also
3054 designated as 15 USC §§ 1171-1177, shall be considered legal shipments of gambling devices
3055 into this commonwealth.

3056 **SECTION 65.** In making initial appointments to the Massachusetts gaming commission
3057 established in section 2 of chapter 23K of the General Laws, the governor shall appoint 1
3058 commissioner to serve for a term of 5 years, 1 commissioner to serve for a term of 6 years, and 1
3059 commissioner to serve for a term of 7 years. The attorney general and treasurer shall each
3060 appoint 1 commissioner to serve for a term of 5 years.

3061 **SECTION 66.** In making initial appointments to the Massachusetts gaming control board
3062 established in section 3 of chapter 23K of the General Laws, the governor shall appoint 1 member
3063 to serve for a term of 5 years, 1 member to serve for a term of 6 years and 1 member to serve for
3064 a term of 7 years.

3065 **SECTION 67.** The chair of the Massachusetts gaming control board shall consider
3066 current employees of the state racing commission as eligible for employment with the board and
3067 shall, subject to all other requirements and conditions of employment under chapter 23K of the
3068 General Laws, give preference to such individuals when making employment decisions.

3069 **SECTION 68.** A gaming licensee awarded a gaming license for a specific region under
3070 section 16 of chapter 23K of the General Laws shall show preference in hiring to any qualified
3071 persons permanently employed as of June 1, 2010 at a facility authorized to conduct simulcasting
3072 under chapter 128C of the General Laws that is in operation on June 1, 2010 within the region for
3073 which the gaming license was granted if the facility authorized to conduct simulcasting
3074 terminates operation within 1 year of the commission awarding the gaming license, subject to all
3075 other requirements and conditions of employment under said chapter 23K; provided that said
3076 facility authorized to conduct simulcasting shall provide employment data on the number, names
3077 and addresses of employees in permanent employment with said facility as of June 1, 2010 to the
3078 board to assist the gaming licensee in meeting this obligation.

3079 **SECTION 69.** (a) Notwithstanding any general or special law, rule or regulation to the
3080 contrary, a contract negotiated by the governor under this section may waive the requirement that
3081 a gaming license granted under section 17 of chapter 23K of the General Laws be renewed.

3082 (b) Notwithstanding any general or special law, rule or regulation to the contrary, the
3083 governor may enter into a gaming contract with a federally recognized Native American tribe in
3084 the commonwealth.

3085 (c) If the governor enters into a gaming contract, it shall include, but not be limited to, the
3086 following terms:

3087 (i) the tribe shall be subject to all laws, statutes, and bylaws of the
3088 commonwealth, the host community and any other properly constituted legal body, including
3089 chapter 23K of the General Laws; provided, however, that a fair and comparable payment in lieu
3090 of taxes may be substituted for any tax or fee required by the commonwealth; and

3091 (ii) if the tribe receives or has received a license to operate a gaming
3092 establishment under said chapter 23K, the governor shall support the tribe's application to obtain
3093 lands in trust on the site of the gaming establishment.

3094 (d) The contract may include, but shall not be limited to, the following terms:

3095 (i) a grant of permanent exclusivity in the applicable region if the tribe
3096 receives a license to operate a gaming establishment under said chapter 23K; and

3097 (ii) a waiver of the requirement that a gaming establishment license granted
3098 under section 17 of said chapter 23K be renewed.

3099 (e) If the contract includes either term in subsection (d), the contract shall also include an
3100 agreement that permanent regional exclusivity or a waiver of the license renewal requirement
3101 constitutes significant value.

3102 **SECTION 70.** (a) Upon receipt by the board of licensing fees from licensees, the board
3103 shall transfer monies from the Gaming Licensing Fund, established in section 62 of chapter 23K
3104 of the General Laws, as provided in this subsection. Between the effective date of this section and
3105 December 31, 2015, funds shall be transferred as follows:-

3106 (1) \$15,000,000 in the aggregate shall be transferred to the Gaming Mitigation Trust
3107 Fund established by section 65 of chapter 23K of the General Laws;

3108 (2) \$85,000,000 in the aggregate shall be remitted to the comptroller and the
3109 comptroller shall deposit into the Local Aid Stabilization Fund, established by section 2BBBB of
3110 chapter 29 of the General Laws;

3111 (3) \$20,000,000 to the Massachusetts gaming control board to be used for start-up
3112 and operational costs; and

3113 (4) the remaining balance of the fund as of December 31, 2015 shall be remitted to
3114 the comptroller and the comptroller shall deposit that remaining balance into the Stabilization
3115 Fund established by section 2H of chapter 29 of the General Laws.

3116 (b) Upon receipt by the Massachusetts gaming control board of license fees from
3117 licensees, interim transfers and payments shall be made on a pro rata basis from the Gaming
3118 Licensing Fund as provided in clauses (1) and (2) of subsection (a); provided, however, that no
3119 transfer or payment under said clauses (1) and (2) shall occur until the fund reimburses
3120 \$20,000,000 to the Stabilization Fund as required by subsection (b) of section 71 of this act.

3121 **SECTION 71.** (a) Within 30 days of the effective date of this act, the comptroller shall
3122 transfer \$20,000,000, as a loan with no interest, from the Stabilization Fund established by
3123 section 2H of chapter 29 of the General Laws, to the Massachusetts gaming control board for the
3124 start-up and operational costs of implementing chapter 23K of the General Laws.

3125 (b) Upon receipt by the Massachusetts gaming control board of sufficient license fees
3126 from licensees under said chapter 23K, the board shall remit \$20,000,000 to the comptroller from
3127 the Gaming Licensing Fund established in section 62 of said chapter 23K to repay the
3128 Stabilization Fund established by said section 2H of said chapter 29.

3129 **SECTION 72.** Not more than \$42,500,000 shall be expended from the Local Aid
3130 Stabilization Fund, created in section 2BBBB of chapter 29 of the General Laws, in fiscal year
3131 2012.

3132 **SECTION 72A.** Notwithstanding any general or special law, rule or regulation to the
3133 contrary, gaming operations shall supply the Massachusetts gaming control board, hereinafter the
3134 board, with customer tracking data collected or generated by loyalty programs, player tracking
3135 software, player card systems, online gambling transactions and any other such information
3136 system. The board shall contract with an experienced non-profit research entity to develop an
3137 anonymizing system that automatically removes from the data: (a) personally identifying
3138 information, including player name, street address, bank or credit information and last four zip
3139 code digits, in compliance with section 2 of chapter 93H of the General Laws; and (b) game
3140 identifying information, including game name and device manufacturing company, in protection
3141 of corporate intellectual property. The data shall retain information on player characteristics,
3142 including, but not limited to, gender, age and region of residence, player behavior, including, but
3143 not limited to, frequency of play, length of play, speed of play, denomination of play, amounts
3144 wagered and, if applicable, number of lines or hands played and characteristics of games played,
3145 including, but not limited to, reel configuration, RTP, volatility index and denomination. The
3146 board shall convey the anonymized data to the Inter-University Consortium for Political and
3147 Social Research (ICPSR), which operates to archive and make available public-use files for the
3148 social science research community. ICPSR will make the data available to qualified researchers
3149 for the purposes of: (1) conducting analyses that improve understanding of how gambling

addiction develops and progresses; (2) developing evidence-based harm minimization strategies; and (3) developing evidence-based systems to monitor, detect and intervene in high-risk gambling. The board will be responsible for requesting reports on researcher analyses of the behavioral data, which could inform suggestions to the Legislature on more effective regulation of state gambling operations. The board may directly initiate studies assessing the effectiveness of any specific measures, programs or interventions which the commonwealth puts in place in gaming operations and which might be illuminated through the behavioral data in question.

SECTION 72B. The Massachusetts gaming control board, hereinafter “board”, with the advice of the gaming policy advisory committee, hereinafter “committee”, shall develop an annual research agenda in order to understand the social and economic effects of expanding gaming in the commonwealth and to obtain scientific information about the neuroscience, psychology, sociology, epidemiology and etiology of gambling. The board may expend funds from the Gaming Mitigation Trust Fund to implement the objectives of the research agenda which shall include, but not be limited to, the following:

(1) a baseline study of the existing occurrence of problem gambling in the commonwealth. The study shall examine and describe the current levels of problem gambling as well as the current programs in the commonwealth that prevent and address the harmful consequences of problem gambling. The board shall contract with scientists and medical doctors to examine the current research as to the causes for problem gambling and the health effects of problem gambling and the treatment methods currently available in the commonwealth. The board shall report on the findings of the baseline study and provide recommendations to the Massachusetts gaming commission, the house committee on ways and means, the senate committee on ways and means, the joint committee on economic development and emerging technologies, the joint committee on mental health and substance abuse and the joint committee

3174 on public health on methods to supplement or improve current problem gambling prevention and
3175 treatment services not later than 2 years from the effective date of this act;

3176 (2) comprehensive legal and factual studies of the social and economic impacts of
3177 gambling in the commonwealth on (a) state, local and Native American tribal governments; and
3178 (b) communities and social institutions generally, including individuals, families and businesses
3179 within such communities and institutions. The matters to be examined in such studies shall
3180 include, but not be limited to: -

3181 (i) a review of existing federal, state, local and Native American tribal
3182 government policies and practices with respect to the legalization or prohibition of
3183 gambling, including a review of the costs of such policies and practices;

3184 (ii) an assessment of the relationship between gambling and levels of crime and
3185 of existing enforcement and regulatory practices that are intended to address any such
3186 relationship;

3187 (iii) an assessment of pathological or problem gambling, including its impact on
3188 individuals, families, businesses, social institutions and the economy;

3189 (iv) an assessment of the impacts of gambling on individuals, families,
3190 businesses, social institutions and the economy generally, including the role of
3191 advertising in promoting gambling and the impact of gambling on depressed economic
3192 areas;

3193 (v) an assessment of the extent to which gaming has provided revenues to other
3194 state, local, and Native American tribal governments;

3195 (vi) an assessment of the costs of added infrastructure, police force, increased
3196 unemployment, increased health care and dependency on public assistance; and

3197 (vii) the costs of implementing chapter 23K of the General Laws;

3198 (3) individual studies conducted by academic institutions in the commonwealth and
3199 individual researchers located in the commonwealth to study topics which include, but shall not
3200 be limited to: (i) reward and aversion, neuroimaging and neuroscience in humans, addiction
3201 phenotype genotype research, gambling-based experimental psychology, and mathematical
3202 modeling of reward-based decision-making; (ii) the sociology and psychology of gambling
3203 behavior, gambling technology, and marketing; (iii) the epidemiology and etiology of gambling
3204 and problem gambling in the general population. When contracting with researchers to study
3205 these issues, the board shall encourage the collaboration among researchers in the commonwealth
3206 and other states and jurisdictions.

3207 The board and the committee shall annually make scientifically-based recommendations
3208 which reflect the results of this research to the Massachusetts gaming commission and to the
3209 house committee on ways and means, the senate committee on ways and means, the joint
3210 committee on economic development and emerging technologies, the joint committee on mental
3211 health and substance abuse and the joint committee on public health. The commission and the
3212 board shall consider any such recommendations, research and findings in all decisions related to
3213 enhancing responsible gambling and mitigating problem gambling.

3214 **SECTION 72C.** Councils on aging, as defined in section 8B of chapter 40, shall be
3215 prohibited from using state funding to sponsor trips or provide transportation to gaming facilities
3216 located out of state after the opening of a gaming establishment in the commonwealth.

3217 **SECTION 72D.** The department of revenue, in consultation with the alcoholic beverages
3218 control commission, shall conduct a study of trends in sales of alcohol for off-premises
3219 consumption in cities or towns located entirely or partially within 10 miles of the border of the
3220 commonwealth with a neighboring state. The study shall evaluate the period between August of

2009 and June 2010, as available data permits. The study shall compare monthly sales during that period to monthly sales in comparable periods in prior years.

The department shall submit a written report of its findings to the chairs of the joint committee on consumer protection and professional licensure, the chairs of the joint committee on revenue and to the chairs of the house and senate committees on ways and means not later than 90 days after the effective date of this act.

SECTION 72E. (a) Notwithstanding any general or special law to the contrary, the commissioner of capital asset management and maintenance in consultation with department of conservation and recreation, shall execute and deliver in recordable form to the Fall River Redevelopment Authority an amendment to the release deed dated January 22, 2009 and recorded in book 07124, page 95 in the Bristol county southern district registry of deeds which shall incorporate the changes to chapter 266 of the acts of 2002 in section 62A of this act.

(b) The division of capital asset management and maintenance shall execute and deliver a release or termination of any other documentation which reflects a restriction in section 2 of said chapter 266 prior to the effective date of this section. Such restrictions shall be fully released from the subject property. The division of capital asset management and maintenance shall execute any other documentation reasonably requested by the Fall River Redevelopment Authority or any successor or assignee to effectuate said chapter 266.

SECTION 72F. The secretary of administration and finance and the secretary of housing and economic development shall jointly study and report on the changing competitive profile of the commonwealth as a result of ongoing or imminent policy changes and the commonwealth's response and the response of other states to the national fiscal crisis. This study shall include, but shall not be limited to, the following issues: modifications in taxation in the commonwealth and other states; a comparison of the level of state support for public secondary education, public

3245 higher education and workforce development between the commonwealth and other states; a
3246 comparison of the level of private investment between the commonwealth and other states; and a
3247 comparison of the level of student achievement between the commonwealth and other states. The
3248 study shall also include a review and comparison of recent multi-state studies by other state-
3249 funded or nonprofit groups, including but not limited to, the Tax Foundation, the Massachusetts
3250 Technology Collaborative and the Beacon Hill Institute at Suffolk University.

3251 The secretaries shall collaborate with the Massachusetts Technology Collaborative and
3252 shall seek to collaborate with the Beacon Hill Institute at Suffolk University in conducting this
3253 study. The secretaries shall submit a written report of their findings and recommendations to the
3254 chairs of the joint committee on economic development and emerging technologies, the chairs of
3255 the joint committee on revenue and to the chairs of the house and senate committees on ways and
3256 means, not later than 90 days after the effective date of this act.

3257 **SECTION 72G.** The secretary of administration and finance and the secretary of housing
3258 and economic development shall jointly study and report the use of gaming regulatory agencies in
3259 those states where state-licensed gaming facilities, including, but not limited to, casinos and slot
3260 parlors are currently operating. The study shall include, but not be limited to, the following: the
3261 benefits of establishing a bifurcated agency model versus a unitary agency model; separation of
3262 duties of operating a gaming regulatory authority from the issuing of a casino license; which
3263 model provides greater adjudicatory impartiality and the regulatory costs of each model.

3264 The secretaries shall submit a written report of their findings and recommendations to the
3265 chairs of the house and senate committees on ways and means and the chairs of the joint
3266 committee on economic development and emerging technologies, not later than 90 days after the
3267 effective date of this act.

3268 **SECTION 72H.** The department of revenue shall conduct a study of income tax rate
3269 structure and collections in those states where state-licensed gaming facilities, including, but not
3270 limited to, casinos and slot parlors, are currently operating. The study shall include, but not be
3271 limited to, the following topics: income tax collections per capita, with increases or decreases in
3272 such per capita collections in each state which has expanded gaming operations since 1987, since
3273 those gaming facilities began operations in that state; whether upward or downward trends in per
3274 capita income tax collections resulting from changes in the state or national economy have been
3275 exacerbated by the introduction of operating legalized gaming facilities; whether such states have
3276 progressive or flat income tax rates, and, for those states which expanded gaming operations since
3277 1987, whether such structures have changed since such gaming facilities began operations; and
3278 whether any such states have enacted changes in their income tax rates since such gaming
3279 facilities began operations and the content of those changes.

3280 The department shall submit a written report of its findings to the chairs of the joint
3281 committee on economic development and emerging technologies, the chairs of the joint
3282 committee on revenue and to the chairs of the house and senate committees on ways and means,
3283 not later than 90 days after the effective date of this act.

3284 **SECTION 72I.** The department of revenue shall conduct a study of sales tax rate
3285 structure and collections in those states where state-licensed gaming facilities are currently
3286 operating. The study shall include, but not be limited, the following topics: sales tax collections
3287 per capita in such states, and increases or decreases in such per capita collections since such
3288 gaming facilities have started operating, for those states where gaming has been legalized since
3289 1987; whether upward or downward trends in per capita sales tax collections resulting from
3290 changes in the state or national economy have been exacerbated by the introduction of operating
3291 legalized gaming facilities; and whether any such states have enacted changes in their sales tax
3292 rates since such gaming facilities have started operating and the content of those changes.

3293 The department shall submit a written report of its findings to the chairs of the joint
3294 committee on economic development and emerging technologies, the chairs of the joint
3295 committee on revenue and to the chairs of the house and senate committees on ways and means,
3296 not later than 90 days after the effective date of this act.

3297 **SECTION 72J.** Sections 59A to 59S, inclusive, shall expire on July 31, 2012.

3298 **SECTION 73.** Section 69 is hereby repealed.

3299 **SECTION 74.** Section 14 shall take effect on December 31, 2015.

3300 **SECTION 75.** Section 73 shall take effect on June 30, 2011.